1986

The BUSH FOUNDATION

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Archibald Granville Bush

Mrs. Archibald Granville Bush

THE BUSH FOUNDATION

Annual Report for the Fiscal Year Ended November 30, 1986

The Bush Foundation

REPORT FOR THE FISCAL YEAR ENDING NOVEMBER 30, 1986

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*Appointed during 1986
**Retired during 1986

THE BUSH FOUNDATION

The Bush Foundation, established by Mr. and Mrs. Archibald Granville Bush of Saint Paul, Minnesota, was incorporated February 23, 1953, under the Minnesota Nonprofit Corporation Act, to encourage and promote charitable, scientific, literary, and education efforts. It is a tax-exempt organization under the laws of Minnesota and the United States.

The Foundation has concentrated activity in the areas of education, humanities and the arts, community and social welfare, health, and leadership development. Geographically, the Foundation's grants in 1986 were principally in Minnesota, North Dakota, and South Dakota. The Foundation continues to operate two major non-regional programs, one in child development and public policy, the other, in cooperation with The William and Flora Hewlett Foundation, with historically black private four-year colleges in the southeastern United States. The Foundation's predominantly regional emphasis is discussed in the "Report of the Chairman", immediately following this section.

The income available to the Foundation represents the investment yield from assets given the Foundation by Mr. and Mrs. Archibald Granville Bush. The Foundation is the residuary legatee of the Estate of the late Archibald Granville Bush, from which it has received several distributions of property and cash.

During the fiscal year ending November 30, 1986, The Bush Foundation granted financial assistance to 142 projects in the United States. The sections which follow the Report of the Chairman of the Board outline the Foundation's major current grantmaking interests, describe the Foundation's grantmaking policies and procedures, and list the Foundation's grants in 1986.

REPORT OF THE CHAIRMAN

The Bush Foundation in 1986 launched three new programs, continued its recent trend towards making more grants outside the Twin Cities metropolitan area, and paid out for grants the second largest amount in its history. In April, the Foundation's Board and staff met for two days with several consultants to review past performance and consider future changes. These highlights of the year appear below, along with comment on changes in Board and staff membership.

New Programs

In February, the Boards of both The Bush Foundation and the William and Flora Hewlett Foundation, Menlo Park, California, announced plans to support jointly a major program of faculty development grants at historically black private colleges. These grants should help improve teaching and learning at these institutions.

In October, the Bush Board also voted to extend eligibility for faculty development grants in two-year accredited, tribally-controlled Indian colleges. This program, previously restricted to such colleges in North Dakota and South Dakota, now includes all such colleges in the United States. Also in October, the Foundation approved a plan to assist regional private colleges in automating their library services. These three new programs are described more fully in the "Program Notes" section of this Annual Report.

Non-Metropolitan Activity

Although The Bush Foundation Board has not adopted any sharply defined program concerning its grantmaking outside the Twin Cities metropolitan area in Minnesota and the Dakotas, our attention to this work has increased, as has the volume of the business.

Careful readers of our Annual Reports will notice a broader array of region-wide subjects in the annual listing of individual grants. This year's report, for example, includes grants for such purposes as finding alternative food production and distribution schemes, providing more buildings and building renovations for human service organizations outside the Twin Cities, initiation of concentrated research on rural health policy, and finding ways to promote economic development in small and medium-sized communities. These newer subjects augment a list which for some time has included significant support for organizations seeking to deal with domestic violence, to provide new skills and experiences for rural physi-

cians, as well as start-up support for rural citizens leagues and community foundations.

While precision is difficult without making cost-accounting estimates of rural-urban benefit on each grant, it is still fair to say that within Minnesota and the Dakotas, the non-metropolitan aspect of our work accounted in 1986 for at least two-fifths of all Bush grants in the region, and that the fraction still is growing.

Biennial Policy Review

In April, 1986, the Bush Board, five consultants, and staff, met for two days at Spring Hill Center, Wayzata, Minnesota, to review past strengths and weaknesses in our programs, and to consider which processes and program emphases ought to change. Principal elements of the program included a discussion of social and economic changes in rural communities, led by Glen C. Pulver, Professor of Agricultural Economics, University of Wisconsin, Madison, and Daryl J. Hobbs, Professor of Rural Sociology, University of Missouri, Columbia. Three Bush Directors reviewed Waldemar Nielsen's recent book, *The Golden Donors,* which includes a chapter on the history and programs of the McKnight and Bush Foundations. The Chairman of the Bush Board's Investment Committee and the Foundation's General Counsel led discussion on the performance of the Foundation's portfolio, and discussed considerations which affect the use of social criteria in investment for a charitable foundation. William M. Dietel, President of the Rockefeller Brothers Fund, New York, and Beatrix A. Hamburg, Professor of Psychiatry at Mount Sinai Hospital, New York, and a new Bush Director, led a discussion which appraised strengths and weaknesses in the Foundation's grantmaking programs, and which suggested improvements to consider. These topics were chosen, first by discussions among Board and staff and finally, by Board preferential ballot.

Following the Spring Hill meeting, the Directors also cast preferential ballots concerning topics they hoped would receive priority during the next two years in the program development work of the staff and its consultants. In a list of eleven topics, the two highest rated were the following:

1. Investigate programs to help deal with the effects of severe economic and social pressures on small rural commuinities of this region.
2. Develop programs which give elementary and junior high school aged girls a clearer idea of career possibilities and more encouragement to persist in the study of math and science.

Payments and New Authorizations

During 1986, The Bush Foundation made payments to grant recipients of $17,945,990. This is the second largest amount the foundation has ever paid out in a single year. This occurred partly because the authorization of new grants the prior year was the Foundation's highest, and partly because a recent internal shift in the mix of payout schedules in our grant lists. Among recent grants, a higher than usual percentage has been paid either the same year or within two years. A

correspondingly smaller percentage than before has longer payment schedules. A number of program shifts create this new pattern. The most noticeable is the increase in rural activity described above. This business tends to be on relatively short payment cycles.

During 1986, also, the Foundation authorized $14,579,204 in new grants to be paid currently and in future years.

Continuing Regional Emphasis

The Bush Board continues to believe that the Foundation should remain predominantly a regional institution. However, The Bush Foundation also provides support to four university centers in the joint field of child development and public policy, and to historically black private colleges. Both these activities create a significant flow of Bush payments outside of Minnesota and the Dakotas — our primary geographic grantmaking region. Possibly other non-regional programs may be approved in future years. In both of the non-regional programs noted above, the eligible applicant group and the maximum level of out-of-region spending were determined in advance by the Bush Board, before attempting to consider related individual grant proposals. This process of prior program approval will probably be followed in the future.

Other current out-of-region grants on a smaller scale include those to the Council on Foundations, to Independent Sector, and to the Foundation Center to help improve the general performance and accountability of private foundations, and a few to grantees outside this region which are conducting specific within-region projects.

New and Retiring Directors

In December, 1985, Waverly G. Smith retired after fourteen years of service as a Bush Director. In February, 1986, the Board passed the following resolution describing his work:

> "Waverly G. Smith served as a director of The Bush Foundation from 1972 until his retirement in 1985. He was First Vice President or First Vice Chairman of the Board from 1976 through 1984. He was Chairman of the Nominating Committee from 1978 through 1984, and served significant terms on the Grants and Investment Committees.
>
> "He brought thoroughness to the work of the Nominating Committee, creating a system of screening and selection of prospective Board members which was sensible in its own right, and which also made easier the subsequent diversification of backgrounds and experience of Board members. He supported the general direction in which the Foundation's grantmaking programs evolved, supported the periodic evaluation of these programs to see what should be learned from the experience, and argued that some significant portion of the foundation's available income should remain sufficiently uncommitted in advance so that it would be available to meet changing needs

within this region. His consistent perspective, common sense, and sense of humor set a pattern which extended beyond his own participation in Board and subcommittee meetings.

"Smith brought to his Bush Board service both interest in community affairs and accomplishment as a leader in the insurance industry. He was President of the Saint Paul Companies, Vice Chairman of the Home Insurance Company of New York, a Director of the Northwestern National Bank of Saint Paul, and of General Mills, Inc.

"He is a Director of the Maple Lake Bancorporation. In other community activities, he served as a Director of the Saint Paul Council of Arts and Sciences, and was a member of the Executive Committee of the Citizens League.

"We will miss his presence, and are grateful for his long and generous service. We wish him well in his retirement."

In May, 1986, Beatrix A. Hamburg joined the Board of Directors. Dr. Hamburg is Professor of Psychiatry and Pediatrics at the Mount Sinai School of Medicine, New York City, following appointments at the Stanford University School of Medicine and the Harvard Medical School. She is a member of the National Research Council of the National Academy of Sciences, and of its Committee on the Status of Black Americans. She is a member of the Public Health Council for the State of New York and of the Governor's Task Force on Life and the Law. She also is a Trustee of the William T. Grant Foundation in New York.

Staff Changes

Marie B. Lampe, bookkeeper for The Bush Foundation for eleven years, retired in May. We will miss her directness and her thorough work. David M. Gibbons was appointed bookkeeper in May. In addition, Carolyn M. Anderson, secretary, joined the Foundation staff.

Thanks

The Bush Foundation has been fortunate in the quality of the people associated with it. The staff is widely respected. The directors come from a variety of backgrounds, but bring a common commitment to thoughtful study of the Foundation's options. No foundation has funds to satisfy all worthy applications. Tough choices must be made, and careful consideration given to changing needs and to the potential impact of any grant. The biennial Spring Hill retreats give the directors and staff an opportunity to step back from the process of reviewing specific grant applications, to evaluate the Foundation's overall direction, and to look into possible new areas or ways of doing our business. Vital in this whole process is the impact of each director, and we want to make sure we draw on each individual's judgment and expertise.

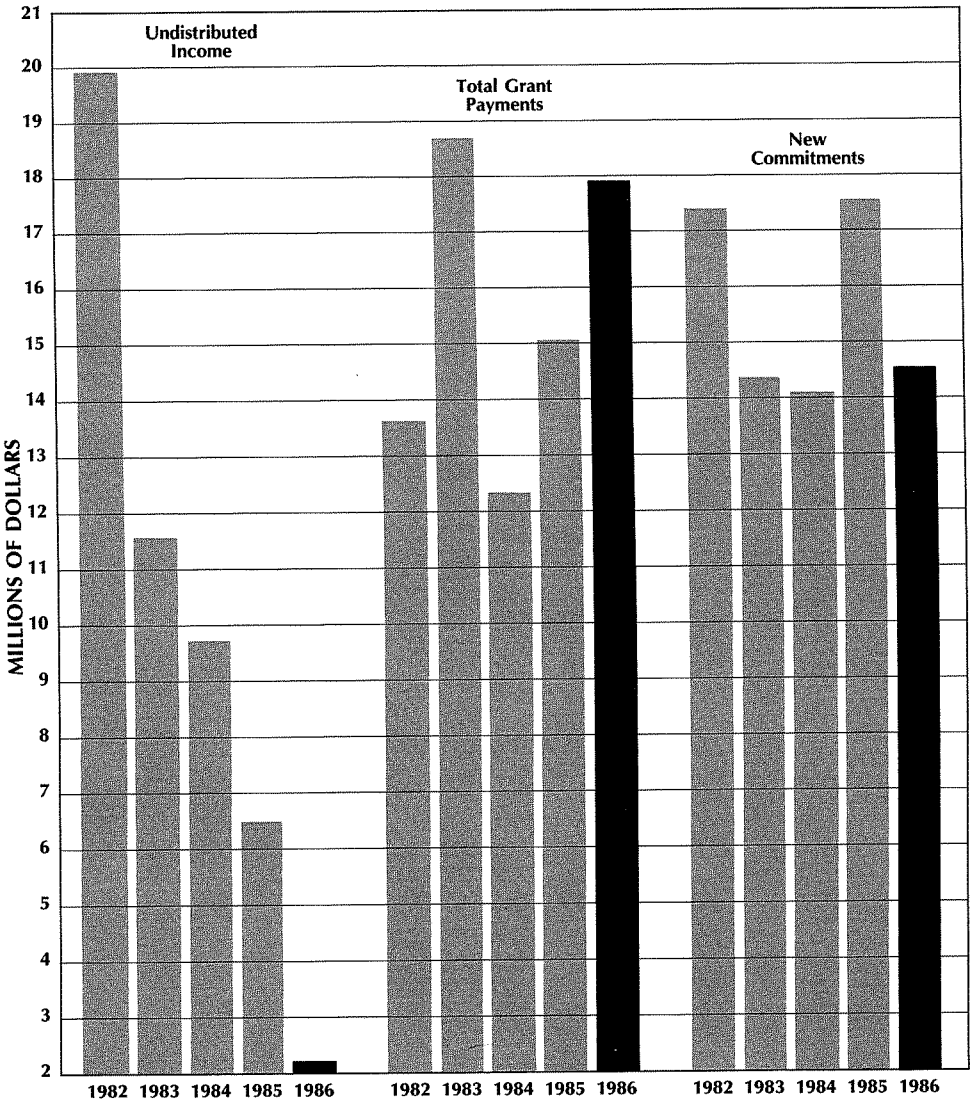
An era in Foundation history came to a close during the past year when Thomas

J. Clifford finished a five-year term as chairman. He brought a quiet strength to this position. His objectivity and fairness inspired confidence in his leadership, and he always assured an opportunity for full discussion. Fortunately, we will continue to benefit from his judgment and good humor as a director. He deserves our thanks and special recognition for his contributions.

DIANA E. MURPHY
Chairman

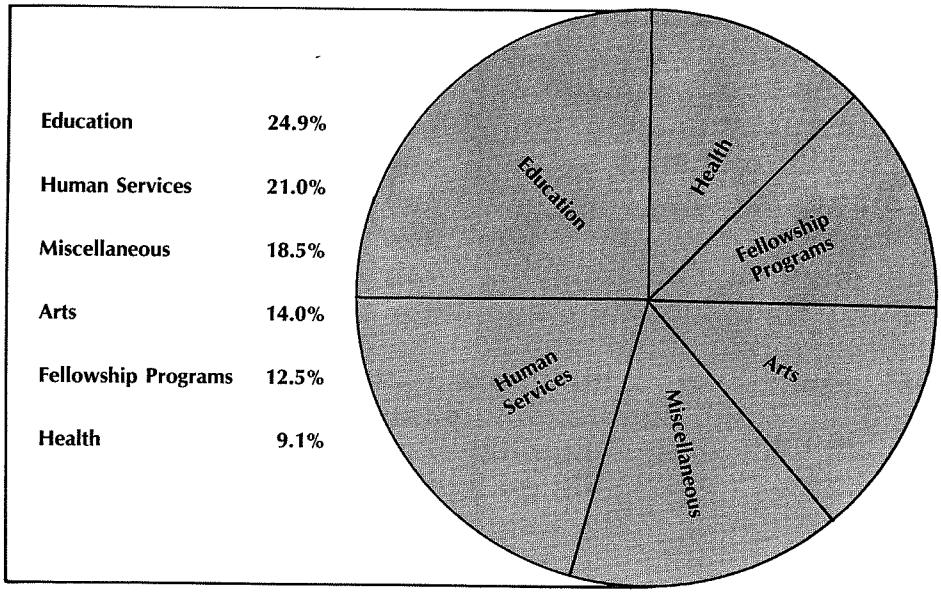
UNDISTRIBUTED INCOME COMPARED WITH GRANT PAYMENTS AND NEW COMMITMENTS 1982-1986

Year	Undistributed Income*	Total Grant Payments	New Commitments
1982	$19,970,222	$13,696,544	$17,209,279
1983	11,609,815	18,776,168	14,373,428
1984	9,734,253	12,365,667	14,128,571
1985	6,491,478	15,063,322	17,629,448
1986	2,272,485	17,945,990	14,595,686

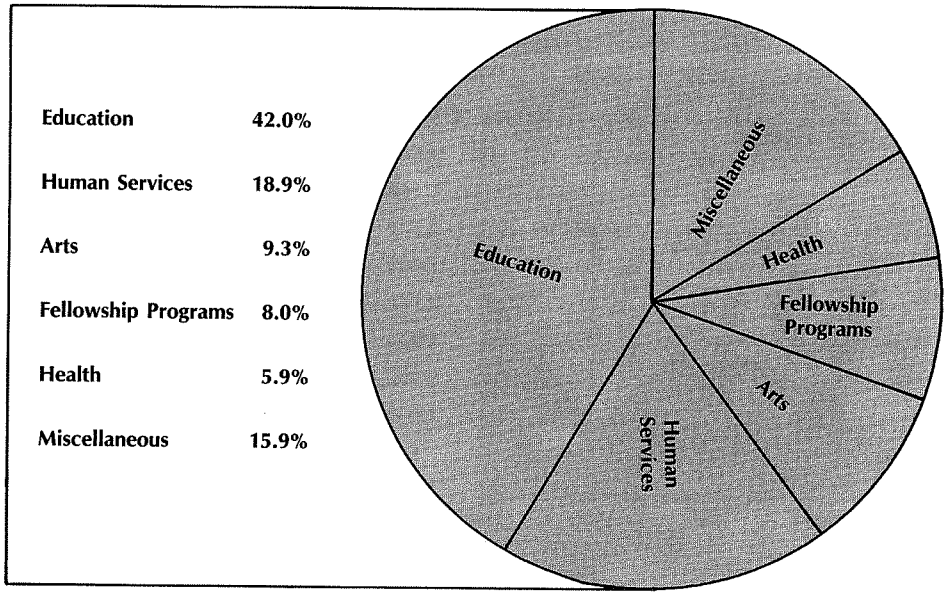


**For the years 1982 through 1984, undistributed income was the greater of net income or minimum investment return, as defined by the Tax Reform Act of 1969, less excise taxes, administrative expenses, and investment expenses. In accordance with the Economic Recovery Tax Act of 1981, undistributed income for 1985 and for 1986 is the amount which must be paid out each year to avoid penalty.*

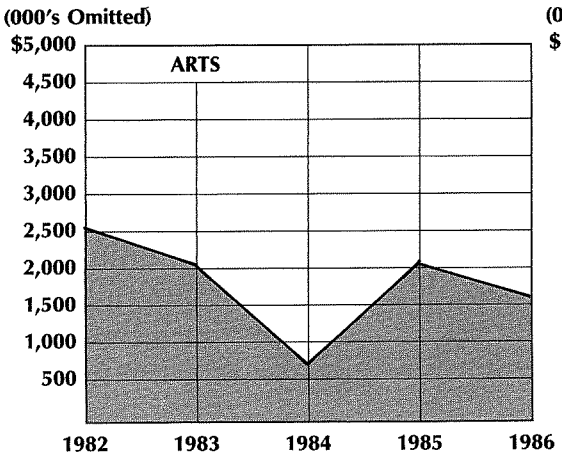
DISTRIBUTION OF 1986 FOUNDATION GRANT APPROPRIATIONS BY PROGRAM AREA

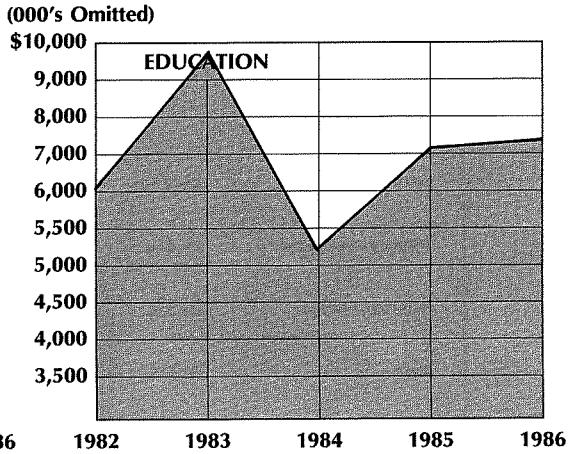


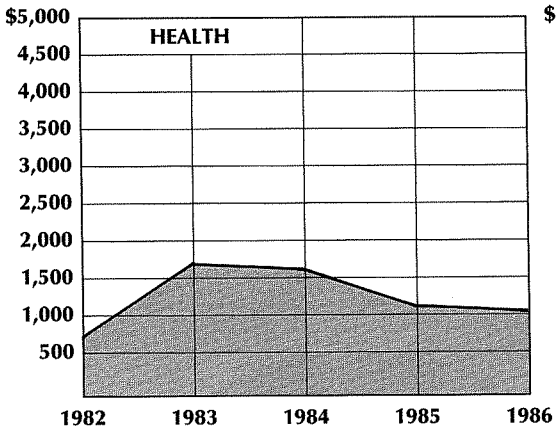
DISTRIBUTION OF 1986 FOUNDATION GRANT PAYMENTS BY PROGRAM AREA

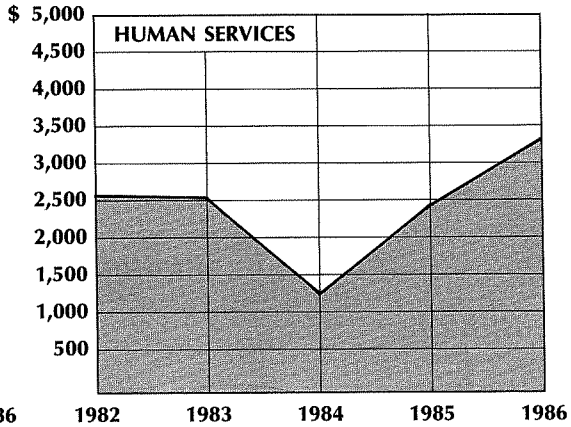


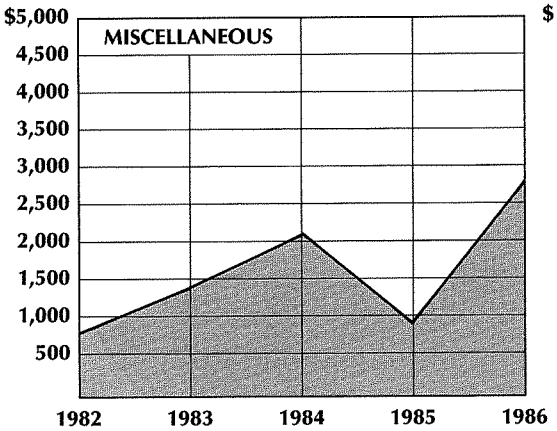
CASH FLOW SUMMARY 1982-1986

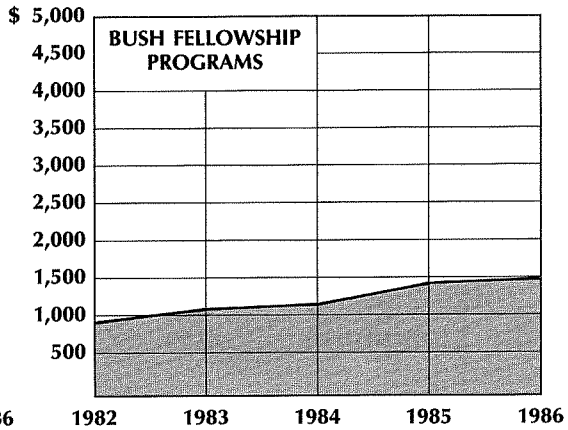




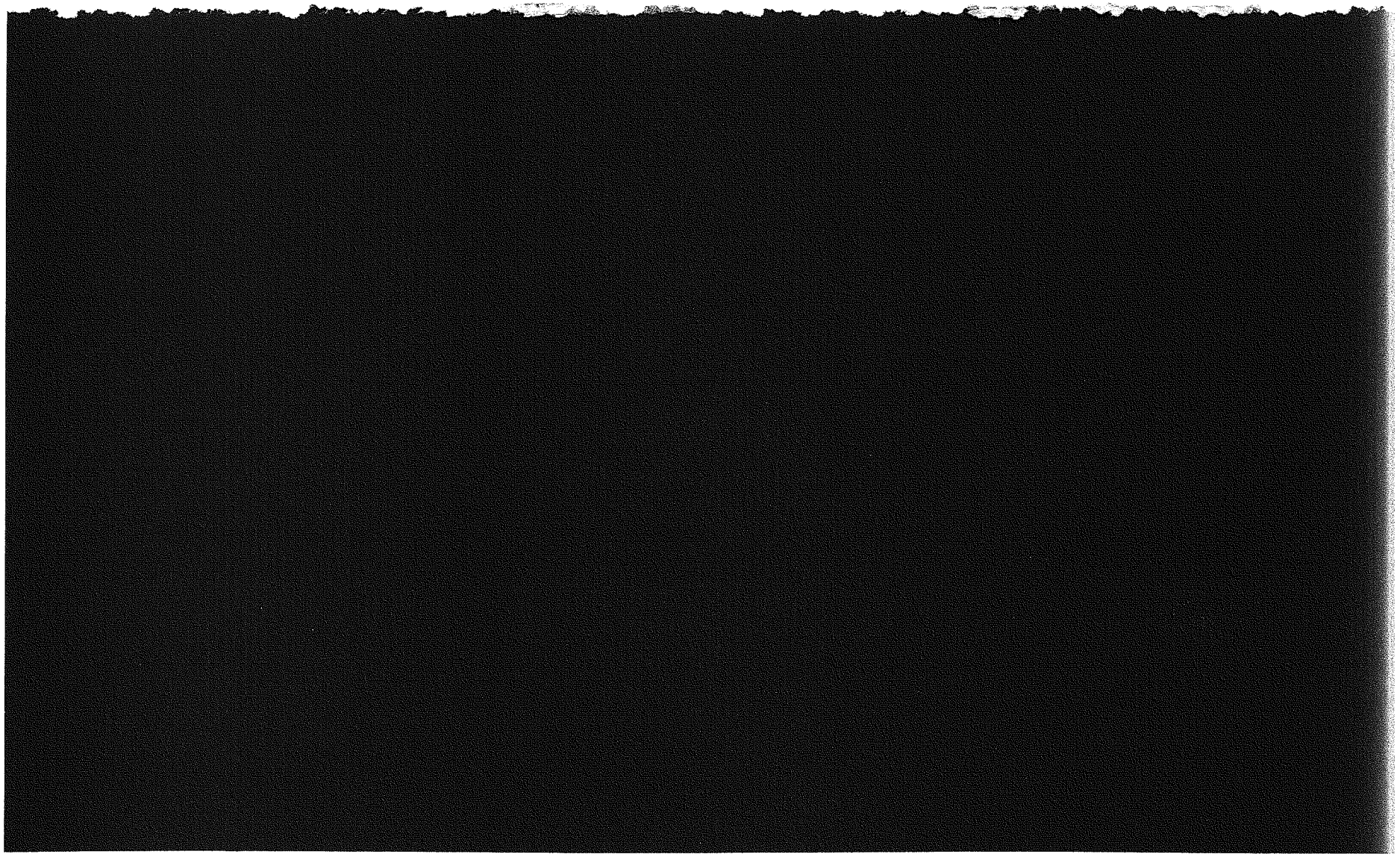








	1982	1983	1984	1985	1986
Arts	$ 2,560,793	$ 2,066,350	$ 757,700	$ 2,015,989	$ 1,667,060
Education	6,083,453	9,984,600	5,280,209	7,015,915	7,535,536
Health	707,649	1,745,243	1,681,811	1,186,549	1,063,475
Human Services	2,584,119	2,568,064	1,367,087	2,461,948	3,395,198
Miscellaneous	816,150	1,400,670	2,164,904	964,540	2,848,869
Bush Fellowship Programs	944,380	1,011,241	1,113,956	1,418,381	1,435,852
TOTALS	$13,696,544	$18,776,168	$12,365,667	$15,063,322	$17,945,990



PROGRAM NOTES

PROGRAM NOTES

This section of the Annual Report discusses progress in several Bush grant programs which seemed noteworthy in 1986: faculty development and matching capital grants in colleges, and universities in this region, in historically black private colleges, and in Indian controlled community colleges; and services for families and children in this region, and elsewhere. Comment is also provided on The Bush Foundation's general approach to its work in health, in human services, and in its four mid-career fellowship programs.

These subsections together suggest that the Foundation's specific concerns and approaches vary considerably from one field to the next — generally depending upon the different needs and ways of doing business inherent in each field. However, the one common theme which runs through all our work is the need for each serious applicant for Bush support not only to consider carefully how Bush money will be used and why it is needed, but also to plan carefully how to operate without Bush funds once the grant period ends.

EDUCATION

Faculty Development

In April, 1979, The Bush Foundation Board of Directors approved a regional program of faculty development grants in undergraduate four-year colleges in Minnesota and the Dakotas. The program was designed to help improve student learning through increased attention to faculty development activities. The Foundation's definition of "faculty development" intentionally was left quite broad. It included such possibilities as individual professional development, curriculum change, improvement of teaching methods, and organizational changes such as introduction of peer or student evaluation plans. Eligible colleges or groups of colleges could apply for one year planning grants, and for program grants which were up to three years in length and renewable one time. Maximum grant size varied according to student enrollment.

From 1980 through 1985, the Foundation authorized grants in this program totaling $11.6 million. In 1984, the Bush Board voted to extend eligibility for participation in the faculty development program to accredited tribally-controlled colleges on Indian reservations in this region. Since then, faculty development programs

have begun with Bush assistance at Sinte Gleska College and Oglala Lakota College in South Dakota, and Turtle Mountain Community College and Standing Rock Community College in North Dakota.

In 1986, the Bush Board voted to extend eligibility for these faculty development grants to accredited tribally-controlled colleges anywhere in the United States. Because of the remote location of most of these institutions, and because of limitations on their institutional budgets, little opportunity has been afforded faculty to attend professional conferences, engage in further study, or improve curriculum.

In 1985, the Board also voted $905,400 to extend this program into the eighteen-member Minnesota Community College System. The Foundation has ceased accepting new program proposals for faculty development from accredited public and private four-year institutions, but still is considering renewal proposals. Guidelines for renewal proposals are available at the Foundation office.

In 1982, the Foundation invited Kenneth E. Eble, Professor of English at the University of Utah, and Wilbert J. McKeachie, Professor of Psychology at the University of Michigan, to visit each of the thirty Bush-supported faculty development projects during 1983 and 1984, and to write about their conclusions from this experience. The book resulting from this study, *Improving Undergraduate Education through Faculty Development,* was published in May, 1985, by Jossey-Bass Publishers (433 California Street, San Francisco, California, 94104). The authors conclude that most individual campus programs were extremely successful.

BUSH-HEWLETT GRANTS IN HISTORICALLY BLACK COLLEGES

Directors of the Bush and Hewlett Foundations in February, 1986 authorized a $7.9 million, ten year program of jointly supported grants at the forty-two historically black undergraduate colleges which are members of the United Negro College Fund (UNCF) and at Hampton University, a former UNCF member. This program extends a history of Bush-Hewlett cooperative grant programs in UNCF colleges which began in 1978. The new joint program has two parts: inauguration of a new faculty development program, and extension of eligibility for six additional years in an existing $10 million matching capital grants program. As in the earlier Bush-Hewlett programs, both foundations share program costs, while The Bush Foundation provides administrative staff and The Bush Foundation Board makes final selections as to which colleges receive grants.

The faculty development program is similar to one offered by The Bush Foundation alone to public and private colleges in Minnesota and the Dakotas since 1979. The program is designed to help improve student learning through increased attention to faculty development activities. The definition of "faculty development" intentionally is quite broad. It includes such activities as individual professional development, curriculum change, improvement of teaching methods, and organizational changes such as the introduction of peer or student evaluation plans.

Historically black colleges selected for participation are each offered a one year planning grant of up to $10,000 each. Then they may apply for a three year program grant, which may be renewed one time for up to three more years. Maximum annual payments under these program grants range from $35,000 to $130,000, depending on the enrollment at the participating college.

During 1986 the following seven UNCF colleges were awarded faculty development planning grants.

Johnson C. Smith University
Charlotte, North Carolina

Paine College
Augusta, Georgia

Spelman College
Atlanta, Georgia

Stillman College
Tuscalossa, Alabama

Tougaloo College
Tougaloo, Mississippi

Tuskegee University
Tuskegee Institute, Alabama

Xavier University of Louisiana
New Orleans, Louisiana

Also during 1986, the following eight UNCF colleges were invited to submit planning grant proposals for Bush Board review early in 1987.

Benedict College
Columbia, South Carolina

Bennett College
Greensboro, North Carolina

Claflin College
Orangeburg, South Carolina

Dillard University
New Orleans, Louisiana

Fisk University
Nashville, Tennessee

Hampton University
Hampton, Virginia

Morris Brown College
Atlanta, Georgia

Voorhees College
Denmark, South Carolina

The program guidelines emphasize local planning by faculty and administration. The sponsoring foundations hope that these grants will, in the end, benefit individual students and faculty, will provide educational programs of increased quality, and will strengthen the participating colleges. Bush-Hewlett faculty development program guidelines are available at The Bush Foundation office. Inquiries are welcome.

The Bush-Hewlett matching capital grants program originally was scheduled to operate from 1981 through 1987. The new Bush-Hewlett authorization extends eligibility for participating through 1993. No significant new appropriation is required for this extension of eligibility, since initial utilization of the program has been about 60 percent of the amount projected.

The definition of "capital" purposes includes land purchase, endowment, building construction, and major building renovation. Bush-Hewlett matching capital grants usually provide five percent of the capital amount sought in a college's capital fund drive. The purpose of the matching capital grants program is to help complete comprehensive capital fund drives more quickly than would be possible otherwise, to stimulate higher levels of giving by other donors, and to help build the college's capital assets. Proposals for these grants are considered at the regular quarterly grantmaking meetings of the Bush Board of Directors. Proposals are not considered by the Bush Board until a college already has raised half the capital amounts sought in the fund drive.

In most respects, this program is similar to one which was operated for private colleges in Minnesota and the Dakotas by The Bush Foundation, starting in 1976 and which was described in previous Annual Reports. The only significant difference is that more capital gift sources can be considered matching-eligible in the UNCF Bush-Hewlett program than was the case in the Bush Upper Midwest program.

Four principal questions which must be answered favorably before a matching capital grant is approved continue to be the following ones:

— Are the goals of the capital fund drive carefully focused and based on a comprehensive and widely discussed appraisal of the institution's needs?
— Does the applicant college have a reasonable planning process which links educational and financial strategy for at least five years into the future?
— How well planned and organized is the fund drive? What are its chances for achieving its announced dollar goal?
— If major building refurbishment or new construction is part of the capital fund drive, how well planned does this work appear to be, and how well does the college use and maintain its existing physical plant?

The following matching capital grants to UNCF colleges were authorized from 1981 through 1986:

Institution	Amount	Year
Paine College Augusta, Georgia	$ 100,000	1981
Spelman College Atlanta, Georgia	400,000	1981

Institution	Amount	Year
Tuskegee University Tuskegee Institute, Alabama	1,000,000	1981
Johnson C. Smith University Charlotte, North Carolina	500,000	1982
Florida Memorial College Miami, Florida	150,000	1982
Hampton University Hampton, Virginia	1,250,000	1983
Tougaloo College Tougaloo, Mississippi	150,000	1984
Talladega College Talladega, Alabama	187,500	1984
Xavier University of Louisiana New Orleans, Louisiana	600,000	1985
Bethune-Cookman College Daytona Beach, Florida	250,000	1986
Dillard University New Orleans, Louisiana	500,000	1986
Stillman College Tuscaloosa, Alabama	160,000	1986

Program guidelines and staff assistance are available at The Bush Foundation office.

CONTINUATION OF BUSH GRANTS FOR ACADEMIC LIBRARY AUTOMATION

Over the past decade The Bush Foundation has granted just over $2 million to assist regional academic library consortia in their initial efforts to develop computerized cataloging and circulation systems. These systems have helped libraries reduce costs and improve services. Recently, there has been an increase in the number of inquiries to Bush from academic libraries which wish to install a new, more powerful generation of automation systems. This new technology can provide improved services to library patrons, enabling them to approach a computer terminal, enter the name of a book or an author's name or a topic to be studied, and read a video screen to see what relevant publications are available. Many of these automated systems indicate whether materials are in the collection, on the shelf, on reserve, or checked out; some systems have the capacity to extend the search beyond the local collection to other libraries in the state or region.

In October, 1986, The Bush Foundation Board agreed to consider proposals for assisting with the purchase and installation of new automation systems, primarily from private academic library consortia in Minnesota and the Dakotas. The estimated three-year cost of this grant-making program is $1 million. Successful programs probably will include arrangements for linkages with other automated systems, the prior commitment of institutional matching funds, and the prior development of plans for future operational support.

HEALTH

The Bush Foundation wishes to consider proposals for programs and projects that will improve the quality, accessibility, and efficiency of health care services within the Foundation's geographic region. In its attempt to achieve good results with limited amounts of money, the Foundation seeks to concentrate its grants on programs to train health professionals for unfilled and new kinds of health care positions, and which seek to develop new ways to deliver health care in rural and underserved areas. Improving racial minorities' access to careers in medicine and other health professions also is of major interest to the Foundation.

In 1986, The Bush Foundation approved ten grants totaling $1.23 million for health programs within its three-state geographic region. The University of North Dakota was awarded $500,479 to develop an Office of Research and Policy Analysis as part of its Center for Rural Health Services, Policy and Research. The Center was established in 1986 to evaluate the health care needs of rural communities and to help in the recruitment of health professionals for those communities. Bush funds will help the Center to recruit social scientists to study the availability of appropriate health care services in rural areas.

The Foundation granted Tri-College University in Fargo North Dakota $208,000 to begin a consortium-based nursing education program. The new program will replace two two-year associate degree nursing programs with a single four-year baccalaureate program. North Dakota State University in Fargo, Moorhead State University in Moorhead, Minnesota and Concordia College in Moorhead are participants in the Tri-College consortium. Helping Hand Health Center received $50,000 to help expand the services of a community clinic for low-income people in Saint Paul.

An eighth group of Bush Clinical Fellows was selected in 1986. Most physicians selected for this program will pursue programs of study designed to help them meet specific health care needs in the rural communities in which they practice. In 1985, the eligibility guidelines for the program were modified to permit a small proportion of fellowship winners to be selected from metropolitan areas. Applicants from metropolitan areas are expected to prepare themselves for leadership roles in the fields of health administration or health policy. The Fellowship section of this report lists the Bush Clinical Fellows selected in 1985 and describes their individual programs.

HUMAN SERVICES

In its human services work, The Bush Foundation has chosen to remain open to proposals from a wide range of service areas and program purposes. For example, grants were approved in 1986 to help to train Native American nurse clinicians to assist rape victims, to encourage police and courts to arrest and prosecute people who commit acts of violence against their families, and to provide counseling and training for families whose children have been sexually molested. Other grants helped to support counseling programs for troubled and disadvantaged youth,

to begin career development programs for teenaged girls, and to support a program to ease the economic hardship of single women with children by providing emergency housing and financial assistance for education. These grants and others in 1986 reflect continuing interest in problems of physical and sexual abuse of women and children, the special problems of disadvantaged youth and handicapped people, and the problems of single women with children.

Decisions on individual proposals usually have been based on staff and Board appraisal of the answers to three basic kinds of questions:

1. How important is the purpose for which the grant is sought?
2. Is the purpose one for which Foundation expenditure makes sense? Does the problem to be worked on match in scale what The Bush Foundation might reasonably be able to spend on it? Are others who might help pay for the activity also participating?
3. How well is the applicant likely to be able to carry out the proposed plan? Is the planning work as good as can reasonably be expected? Is most of the unnecessary risk eliminated from the work plan?

ARTS AND HUMANITIES

Since 1974, The Bush Foundation has appropriated roughly $21 million to arts and humanities organizations within its geographic region. Most of these funds have been paid to major institutions in Minneapolis and Saint Paul to support operating expenses, special projects, and building renovation and construction. In considering these grants, the Foundation has been especially interested in institutions which provide both high quality programs for the public and artistic leadership for other arts activities in Minnesota.

In addition to providing annual operating support for selected major arts institutions in Minnesota, The Bush Foundation occasionally makes grants to arts and humanities organizations for special program needs or projects which enhance the long-term development of those institutions. The Foundation rarely supports organizations which do not pay artistic staff or which are in their first year of operation. The following 1986 grants are examples of special program and project grants in the arts.

Organization	Purpose of Grant	Amount Approved and Duration of Award
Actors Theatre of Saint Paul Saint Paul	To help expand its acting company.	$90,000, three years
COMPAS, INC. Saint Paul	To help pay costs of conducting a membership campaign for a community arts organization.	$28,800, two years
Graywolf Press Saint Paul	To support a nonprofit literary publisher's first Creative Essay Series of books.	$45,000, three years
The Loft, Inc. Minneapolis	To support long-range planning for a writers' service organization.	$11,840, one year

Organization	Purpose of Grant	Amount Approved and Duration of Award
Minnesota Composers Forum Saint Paul	To support publication of a composers' handbook.	$ 7,500, one year
West Bank Community Development Corporation, Inc. Minneapolis	To support an audience development program for theaters in Minneapolis' West Bank district.	$20,000, one year

The Foundation provides further support for the arts through its Fellowship for Artists Program, which was established in 1976 to enable selected artists in Minnesota to spend a concentrated period of time on their work. The eleventh group of Bush Artist Fellows was selected in 1986. The Fellowship section of this report lists the Fellows and describes this program in more detail.

In 1981, while continuing to support annual expenses of major arts institutions, the Foundation initiated a program of matching grants to support endowment fund drives conducted by major arts organizations in Minnesota during the 1980's. With this series of matching grants, The Bush Foundation seeks to assist major arts organizations in Minnesota in their efforts to stabilize and strengthen their operation through endowment funds. Requests for support for up to ten percent of an arts organization's endowment fund drive are considered; the maximum possible grant amount is $2 million. Proposals in this program will be accepted through calendar year 1990. To provide an incentive for completion of endowment fund drives, the Foundation has adopted the following matching formula for these endowment grants:

— In cases where the Foundation is asked to take a leadership position in a campaign (when an application is submitted before fifty percent of the fund drive is completed), ordinarily payment of half of the Bush grant is made when fifty percent of the drive is completed. Payment of the remaining amount of the grant is contingent upon completion of the total fund drive goal, according to a mutually agreed upon deadline.

— In cases where at least half of the drive has been completed by the time a Bush grant is requested, ordinarily payment is contingent upon raising the total remaining amount of the drive, according to a mutually agreed upon deadline.

Matching grants in this endowment program are based on the Foundation's judgments about applicants' need for endowment support, as well as the quality of their long-range planning, artistic program and management. The Foundation's Board of Directors has approved three grants in this endowment program. In 1981, the Walker Art Center, Minneapolis, received $1,000,000 toward the Center's $10 million capital campaign. In 1982, the Foundation pledged $2,000,000 to the Minnesota Orchestral Association, Minneapolis, toward its endowment fund drive. In 1984, the Foundation granted $250,000 to the endowment fund drive of The Schubert Club, Saint Paul.

BUSH LEADERSHIP FELLOWS PROGRAM

The Bush Leadership Fellows Program was launched in 1965 by Archibald Granville Bush. He envisaged a program which would identify emerging leaders from many fields and provide special opportunities for them. His plan was to help these persons develop and broaden their leadership capabilities, but without the kind of financial obstacles he encountered early in his own business career.

The Foundation provides financial support to the Bush Leadership Fellows for full-time mid career study and development — sometimes involving a policy-level internship experience. The awards to these recipients range in length from four to eighteen months, and may result in an academic degree.

In 1973, The Bush Foundation added a new program element, the Bush Summer Fellows. These recipients pursue skills-development opportunities ranging from three to ten weeks in length, usually on a nondegree basis.

In 1974, the Foundation voted to expand both parts of the program beyond Minnesota, to include persons from North Dakota, South Dakota, and the twenty-six counties in northern and western Wisconsin that lie within the Ninth Federal Reserve District.*

In 1986, nineteen individuals were named as recipients of Bush Leadership Fellowships, and twenty-three were recipients of Bush Summer Fellowships. The fellows represented the fields of arts administration, business (financial services, general and personnel), educational administration (higher and public), government (city, federal and state), health-care administration, journalism, law, social services, tribal business, and theology. This diversity in career background has characterized the program since its inception.

In June, 1986, the Board authorized expenditures of $933,000 in stipends and tuition for fellowships to be awarded in 1987. Criteria for selection for both types of awards have emphasized demonstrated competence in past work coupled with clear career goals, as well as personal strength, intellectual ability, and some involvement in community activities. Setting inflexible selection criteria seems unwise, however. The selection panels and interviewers try to evaluate all applicants on their individual merits, while keeping in mind that leadership or leadership potential is a critical quality. For the last several years, a clear majority of the selected Fellows emphasized some aspect of administration or management during their studies and internships. This pattern seems likely to continue.

Final selection decisions are made by four-to-six person panels of outside judges working closely with the program's administrative staff. Such judges interview the finalists and cast a composite ballot on awards. Most are local-area senior managers, administrators, although a few also have also been Directors or staff members of the Foundation. Industrial psychologists and persons from outside the region also have been included. In recent years, about half of the judges have been former Fellows.

* These Wisconsin counties are Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Douglas, Dunn, Eau Claire, Florence, Forest, Iron, LaCrosse, Lincoln, Oneida, Pepin, Pierce, Polk, Price, Rusk, Saint Croix, Sawyer, Taylor, Trempeleau, Vilas, and Washburn.

1986 BUSH LEADERSHIP FELLOWS PROGRAM

Name and Residence	Employment at the Time of Selection for Fellowship (1986-87 Study Site in Parenthesis)
Nanette J. Boehm Eau Claire, WI	Registered Nurse, Sacred Heart Hospital, Eau Claire, WI (Yale University)
J. William Cadotte Hayward, WI	Comptroller, Lac Courte Oreilles Tribal Government, Hayward, WI (Stanford University)
James H. Day Saint Paul, MN	Associate Director and Director of Finance and Public Affairs, University of Minnesota Alumni Association, Minneapolis, MN (Harvard University)
Wayne W. Fisher Grand Forks, ND	Director of Psychological Services, Grafton State School, Grafton, ND (Johns Hopkins School of Medicine)
Alan L. Hans Mounds View, MN	Deputy Director, Minnesota Housing Finance Agency, Saint Paul (Massachusetts Institute of Technology)
David A. Hanson Trego, WI	Fisheries Research Project Leader, Wisconsin Department of Natural Resources, Spooner, WI (Harvard University)
Kenton R. Kaufman Fargo, ND	Graduate Teaching Fellow, North Dakota State University, Fargo, ND (Mayo Clinic Medical School)
Kathleen A. Luetmer Minneapolis, MN	Manager, Fridley, Minnesota, Post Office (Stanford University)
Jackie M. Millslagle Aberdeen, SD	Assistant to the Dean of Faculty, Northern State College, Aberdeen, SD (University of Minnesota)
Cecilia M. Pemberton Rochester, MN	Coordinator, Clinical Dietetics, Mayo Clinic, Rochester, MN (University of Pennsylvania)
Claudia M. Ryan Rochester, MN	Policy and Legislative Analyst, Olmsted County, Rochester, MN (Harvard University)
Gene A. Scapanski Saint Paul, MN	Dean, Graduate Programs, and Director, Center for Religious Education, College of Saint Thomas, Saint Paul (Universita San Tomas, Rome, Italy)
Arne Selbyg Grand Forks, ND	Professor, University of North Dakota, Grand Forks, ND (internship with the American Council on Education)
Terrence K. Shelton La Crosse, WI	City Editor, La Crosse, WI, Tribune (Harvard University)
John P. Smith Nevis, MN	Attorney, Dessert, Smith & Hunter, Park Rapids, MN (Emory University)
Kathleen A. Speltz Saint Paul, MN	Executive Director, Genesis II for Women, Minneapolis (University of Texas)
Margaret E. Weber Minneapolis, MN	Resource Development Director, Community Clinic Consortium, Saint Paul (University of Minnesota)
Sharon L. Wickner Bemidji, MN	Staff Therapist, Counseling Associates of Bemidji, Inc., Bemidji, MN (University of Missouri)
Maurice J. Zaffke Backus, MN	State Representative, Backus, MN (Harvard University and George Mason University)

Name and Residence	1986 Bush Summer Fellows
Winston W. Borden Saint Paul, MN	President, Minnesota Association of Commerce and Industry, Saint Paul (Yale University Executive Management Program)
Mary K. Boyd Saint Paul, MN	Assistant Administrator, District 625, Saint Paul Public Schools (University of Minnesota, Educational Administration)
Brian E. Copp River Falls, WI	Associate Professor, University of Wisconsin-River Falls (Carnegie-Mellon University College Management Program)
Joseph C. Crawford Saint Paul, MN	Superintendent, Brady High School, West Saint Paul (Betty Ford Center, Rancho Mirage, CA)

Name and Residence	1986 Bush Summer Fellows
Carl W. Cummins, III Mendota Heights, MN	Director, Government Relations, Minnegasco, Inc., Minneapolis (Cornell University Executive Program)
Bro. Louis DeThomasis Winona, MN	President, Saint Mary's College, Winona, MN (Harvard University Institute for Educational Management)
Mary Ann S. Dressel Saint Paul, MN	Staff Associate, Academic Affairs, Minnesota State University System, Saint Paul (Bryn Mawr College Summer Institute)
Ruth S. Dzik Wahpeton, ND	Director, Riveredge Hospice of Saint Francis Medical Center, Wahpeton, ND (Shealy Institute, Springfield, MO, Program on Pain Control)
Marilou D. Eldred Saint Paul, MN	Dean of Students, College of Saint Catherine, Saint Paul (Carnegie-Mellon University College Management Program)
Steven S. Foldes Minneapolis, MN	Assistant to Vice President, American MedCenters, Inc., Minneapolis (University of Minnesota Management Institute)
Marilyn G. Gayda Minneapolis, MN	National Account Manager, AT&T, Minneapolis (Columbia Executive Program)
David M. Gring Moorhead, MN	Vice President, Academic Affairs, Concordia College, Moorhead, MN (Harvard University Institute for Educational Management)
De Loréz T. Houle Saint Paul, MN	Social Worker, Ramsey County Human Services Dept., Saint Paul (Human Capacities Corporation Training Program, Greenkill, NY)
James F. Miller Minnetonka, MN	City Manager, City of Minnetonka, MN (Harvard University Program in State and Local Government)
Sr. Mary Mooney Fargo, ND	President, Sisters of the Presentation of the Blessed Virgin Mary, Fargo, ND (Passionist Institute, West Hartford, CT; House of Affirmation, Providence, MA; and University of California-Berkeley, Graduate Theological Union)
Sr. Agnes Otting Shakopee, MN	President, Saint Francis Regional Medical Center, Shakopee, MN (Massachusetts Institute of Technology Senior Executives Program)
Sondra J. Quinn Minneapolis, MN	Director, Public Programs, The Science Museum of Minnesota, Saint Paul (University of California-Berkeley Museum Management Institute)
Christine E. Rud Eden Prairie, MN	Director of Personnel, Identification Systems Division, Data Card Corp., Minnetonka, MN (Pepperdine University Organization Development Program)
Jerry M. Stai Minot, ND	Vice President/Second Market Manager, Midwest Federal Savings Bank, Minot, ND (University of Minnesota Executive Program)
Ruth G. Thomas Saint Paul, MN	Associate Professor, University of Minnesota, Saint Paul (Harvard School of Education Management Development Program)
Terry J. Thompson Minneapolis, MN	Director of Corporate Communications, General Mills, Inc., Minneapolis (Harvard Business School Program for Management Development)
Patricia S. Wilder Saint Paul, MN	Program Director, Minnesota Foundation for Better Hearing and Speech, Saint Paul (Carnegie-Mellon University Senior Executive Seminar, and University of Minnesota Humphrey Institute Reflective Leadership Program)
May K. Y. Yue Edina, MN	President, Financial Services Associate, Inc., Edina, MN (Harvard University Owner/President Program)

1986 Bush Leadership Fellows Judges

Name and Residence	Primary Occupation
Charlotte Hansen, Jamestown, ND	Newspaper Owner and Executive
Lynn Hummel, Detroit Lakes, MN	Attorney at Law
Geri Joseph, Minneapolis, MN	University Administrator
Theodore R. Lindbom, Saint Paul, MN	Industrial Psychologist
Nancy C. Parlin, Moorhead, MN	Academic Administrator
Alva W. Scarbrough, Sioux Falls, SD	Hospital Vice President
Stanley Shepard, Saint Paul, MN	Bush Foundation Senior Program Associate
Frank B. Wilderson, Jr., Minneapolis, MN	University Vice President and Bush Director
Mary Ziegenhagen, Bloomington, MN	Newspaper Consultant

1986 Bush Summer Fellows Judges

Name and Residence	Primary Occupation
Dean Belbas, Edina, MN	Business Executive
Kenneth L. Rice, Saint Paul, MN	Financial Consultant
Anne T. Truax, Minneapolis, MN	University Administrator
Flo H. Wiger, Minneapolis, MN	University Administrator

BUSH PUBLIC SCHOOL EXECUTIVE FELLOWS PROGRAM

The eleventh annual group of Bush Public School Executive Fellows was selected in April, 1986, to enter this training program.

The program provides an intensive six-week course for experienced public school superintendents and assistant superintendents in Minnesota and is designed to improve their leadership and financial management capacity. The six weeks of their participation are spread over eighteen months, and include the following segments: a twelve-day opening session emphasizing case study and discussion; three five-day sessions analyzing specific study projects; and a four-day final session. Also, during the entire period of their involvement in this program, participants work independently on a major project within their own school districts.

The curriculum emphasizes management skills, labor relations, and long-range planning for school districts. Professor John J. Mauriel of the University of Minnesota School of Management is the Academic Director of the Program. The fiscal agent is the Minnesota Association of School Administrators.

Inquiries concerning the program are welcomed by the Minnesota Association of School Administrators, 1884 Como Avenue, Saint Paul, Minnesota 55108. Applications are encouraged from women and minority candidates. The phone number is 612-636-6210.

Following is a list of the individuals selected in 1986 to receive Bush Public School Executive Fellows awards:

BUSH PUBLIC SCHOOL EXECUTIVE FELLOWS

Name	Title	District
Anderson, Edward C.	Superintendent	Aitkin, MN
Clough, David L.	Deputy Superintendent	Mounds View, MN
Conway, Walter J.	Superintendent	St. James, MN
Danielson, Donald L.	Superintendent	Gonvick, MN
Dietrich, Neil D.	Superintendent	Sherburn, MN
Domagala, LeRoy F.	Superintendent	Balaton, MN
Firnstahl, Ramon S.	Director of Elementary Curriculum & Instruction	St. Paul, MN
Fredericksen, John E.	Superintendent	Gaylord, MN
Hartley, Jerry R.	Superintendent	Sauk Rapids, MN
Mobilia, Daniel E.	Superintendent	Babbitt, MN
Moen, Allen W.	Superintendent	Rockford, MN
Nelson, Mary Ann E.	Assistant Superintendent for Instruction	St. Louis Park, MN
Olson, Cathryn T.	Director of Employee Relations	Anoka-Hennepin, MN
Paulson, Sharon G.	Director of Community & Auxiliary Education	Winona, MN
Russell, John T.	Director of Special Education	Mid-State ECSU Little Falls, MN
Sargent, Leonard H.	Executive Director	Northeast ECSU Virginia, MN
Sauer, Theodore H.	Director of Community Services/Summer Programs	Hopkins, MN
Shapley, David H.	Superintendent	Silver Lake, MN
Snyder, Carole E.	Assistant Director of Curriculum & Instruction	St. Paul, MN
Strickler, Judith	Director of Curriculum & Instruction	Spring Lake Park, MN
Swanson, Marv K.	Director of Personnel & Labor Relations	Duluth, MN
Swenson, Gary W.	Superintendent	Redwood Falls, MN
Techar, James R.	Superintendent	Deer Creek, MN
Tool, Jim W.	Superintendent	Delano, MN
Wilke, Donald M.	Superintendent	Royalton, MN

BUSH PRINCIPALS PROGRAM

The first annual group of twenty-eight elementary and secondary school principals was selected in August, 1985, to enter this new mid-career training program. A second group will be selected in March, 1987.

Participants are involved in thirty-four days of formal instruction spread over a two-year period. These sessions vary in length from three to twelve days. The primary mode of instruction is the case method of analysis. Faculty in the program act as advisors to participants during the time between formal sessions, when principals work on special school improvement projects within their own districts.

The main objective of the program is the improvement of instruction in elementary and secondary schools. The program attempts to reach this objective by improving principals' skills in areas such as teacher supervision, curriculum design, community-school relationships, and program evaluation.

Professor John J. Mauriel of the University of Minnesota School of Management is the Program Director. The fiscal agent is the Strategic Management Research Center of the University of Minnesota, 832 Management and Economics Building,

271 19th Avenue South, Minneapolis, Minnesota 55455. Inquiries concerning the program are welcomed by Professor Mauriel at this address. Applications are encouraged from women and minority candidates. The telephone number is 612-624-5845.

Following is a list of the individuals selected in 1985 for the first group to enter this program.

PROGRAM PARTICIPANTS (1985-1987)

Name	Title	District
Barnett, John E.	Principal	Mankato West Senior High School Mankato Public School District Mankato, Minnesota
Bellair, Barbara A.	Principal	Clara Barton Open School Minneapolis Public School District Minneapolis, Minnesota
Brown, Frederick A.	Principal	Magelssen Elementary School Fosston Public School District Fosston, Minnesota
Bussian, Norman D.	Principal	Wabasha Senior High School Wabasha Public School District Wabasha, Minnesota
Churchill, Terence V.	Principal	Lincoln Elementary School Duluth Public School District Duluth, Minnesota
Danielson, Daniel D.	Director	The Blake Schools Hopkins, Minnesota
Dulski, Donovan D.	Principal	Moorhead Senior High School Moorhead Public School District Moorhead, Minnesota
Hertogs, Mary H.	Principal	Greenvale Park Elementary School Northfield Public School District Northfield, Minnesota
Hoff, Jerome	Principal	Princeton Junior High School Princeton Public School District Princeton, Minnesota
Houston, Rick	Principal	Pine City Elementary School Pine City Public School District Pine City, Minnesota
Johnson, James W.	Principal	Rocori Senior High School Cold Spring Public School District Cold Spring, Minnesota
Kaiser, Shirley	Principal	Highland Park Elementary School St. Paul Public School District St. Paul, Minnesota
Larson, Jerry F.	Principal	Apollo Senior High School St. Cloud Public School District St. Cloud, Minnesota
Lerom, Jerry	Principal	Anoka Senior High School Anoka Public School District Anoka, Minnesota
Litfin, Dennis R.	Principal	Mountain Lake Senior High School Mountain Lake Public School District Mountain Lake, Minnesota
Mackbee, Mary M.	Principal	Harding Senior High School St. Paul Public School District St. Paul, Minnesota
McGee, John F.	Director	Duluth Cathedral School Duluth, Minnesota

Name	Title	District
McGinty, Joan	Principal	St. Peter's School Richfield, Minnesota
Mykleby, Charles G.	Principal	Alice Smith Elementary School Hopkins Public School District Hopkins, Minnesota
O'Reilly, Thomas W.	Principal	St. Thomas Academy Mendota, Minnesota
Paschka, David F.	Principal	Lakeview Elementary School Albert Lea Public School District Albert Lea, Minnesota
Pollard, Theodore C.	Principal	Wenonah Elementary School Minneapolis Public School District Minneapolis, Minnesota
Sandberg, Neil	Principal	Cedar Manor Elementary School St. Louis Park Public School District St. Louis Park, Minnesota
Schlosser, Clifford	Principal	Willmar Senior High School Willmar Public School District Willmar, Minnesota
Schultz, Terry	Principal	White Bear Lake High School White Bear Lake Public School District White Bear Lake, Minnesota
Stock, Harry L.	Principal	Lafayette Elementary School New Ulm Public School District New Ulm, Minnesota
Townsend, Kathleen B.	Principal	Cedar Island Elementary School Maple Grove Public School District Maple Grove, Minnesota
Ventura, Joanne L.	Principal	Hayden Heights Elementary School St. Paul Public School District St. Paul, Minnesota
Youngstrom, John L.	Principal	Winona Junior High School Winona Public School District Winona, Minnesota

BUSH CLINICAL FELLOWS PROGRAM

Since 1979, Bush Clinical Fellowships have been awarded to physicians in Minnesota, North Dakota, South Dakota and western counties in Wisconsin. This Fellowship Program seeks to develop individual physicians' potential for increased competence and leadership in clinical medicine, health care delivery, administration, and education. The Program also seeks to improve the linkages between rural physicians and metropolitan specialists. For the first time in 1986 the Program also was made available to a limited number of metropolitan area physicians seeking training for major administration or policy development positions.

The Program provides selected physicians in Minnesota, North Dakota, South Dakota, and twenty-five counties in western Wisconsin* with an opportunity to pursue individually-designed plans of study which take explicit account of health care needs in their communities. Approved programs are for three to twelve months. These programs usually include clinical study and/or studies to improve administrative, planning, and leadership skills. Award winners receive monthly stipends

* These counties in Wisconsin are: Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Douglas, Dunn, Eau Claire, Florence, Forest, Iron, LaCrosse, Lincoln, Oneida, Pepin, Pierce, Polk, Price, Rusk, Saint Croix, Sawyer, Taylor, Trempeleau, Vilas, and Washburn.

of $3,000 and tuition and travel allowances totaling $4,000 over the term of their fellowship. Stipends are intended to cover Fellows' living expenses for the period of study during which their income from medical practice will be reduced or non-existent.

Two program options are available. Primary care physicians practicing in non-metropolitan areas are eligibile for clinical programs and programs in medical administration, management, or policy development. Physicians practicing in metropolitan areas (the Twin Cities, Rochester, Duluth, Sioux Falls, and Rapid City) are eligible only for programs in medical administration, management, and policy development.

Applicants must be currently practicing physicians, at least thirty-five years of age with seven or more years of clinical practice experience. They must be able to state clearly their needs and the opportunities available in their communities for the application of the new skills they seek.

Inquiries about the Bush Clinical Fellows Program should be directed to Jon D. Wempner, M.D., Program Director, Bush Clinical Fellows Program, Box 206, Waconia, Minnesota 55387.

1986 BUSH CLINICAL FELLOWS

Name and Residence	Fellowship Purpose	Location of Program Activity
Jerome M. Blake, M.D. Sioux Falls, SD	To study administration in order to coordinate medical services for children with developmental disabilities.	Boston Children's Hospital
Robert J. Cumming, M.D. St. Cloud, MN	To study administrative medicine.	University of Minnesota
Richard W. Dinter, M.D. Hibbing, MN	To study critical care medicine. To study linkages between smaller hospitals and larger medical centers.	University of Minnesota, Hennepin County Medical Center, American College of Physicians
David W. Ellison, M.D. Pelican Rapids, MN	To study programs of public education and assistance in poison control.	Hennepin County Medical Center
Alan R. Johnson, M.D. Windom, MN	To improve skills in geriatrics, forensic medicine, leadership, and public policy.	University of Minnesota, American Academy of Medical Directors, Minnesota Academy of Family Physicians
Marianne Kanning, M.D. Chaska, MN	To study management.	University of Minnesota
Barbara C. LeTourneau, M.D. St. Paul, MN	To study management.	College of St. Thomas
Ronald E. Rehmann, M.D. Coon Rapids, MN	To study management.	University of Minnesota
Albert F. Samuelson, M.D. Bismarck, ND	Study to develop treatment resources for chronically mentally ill Native Americans in rural North America.	University of North Dakota. Site visits and conferences in Aberdeen, Rapid City, Watts, White Cloud Institute, and the National Institute for Mental Health

Name and Residence	Fellowship Purpose	Location of Program Activity
Roger W. Schauer, M.D. Hettinger, ND	To develop skills in family counseling.	University of North Dakota, Hartview Foundation, Bismarck, North Dakota
Paul M. Spilseth, M.D. Stillwater, MN	To study administrative medicine.	University of Wisconsin - Madison

1986 BUSH CLINICAL FELLOWS JUDGES

Lloyd G. Bartholomew, M.D.
Mayo Clinic
Rochester, MN

John W. Clarke, M.D.
Primary Care Network
Eden Prairie, MN

Jerome A. Crest
Immanuel-St. Joseph's Hospital
Mankato, MN

Beverly G. Finholt
Northfield, MN

Norman L. Hagberg, M.D.
Montevideo Clinic
Montevideo, MN

Roland M. Hammer, M.D.
River Falls Medical Clinic
River Falls, WI

George W. Knabe, Jr., M.D.
Virginia Municipal Hospital
Virginia, MN

Donald G. McIntyre, M.D.
Johnson Clinic
Rugby, ND

D. Donald Peddie
Minneapolis, MN

Robert H. Quinn, M.D.
University of SD Medical School
Sioux Falls, SD

Gerald T. Sailer, M.D.
United Clinics
Hettinger, ND

Ann C. Vogel, M.D.
New Ulm Medical Clinic
New Ulm, MN

BUSH ARTIST FELLOWSHIPS PROGRAM

The Bush Artist Fellowships Program enables selected Minnesota artists to set aside concentrated time for their work, and to increase the quality and pace of their career development. Since the program was initiated in 1976, a total of 118 Artist Fellowships have been awarded.

In March, 1986, the eleventh group of Bush Artist Fellows was selected from 323 original applicants. The artists selected were:

Frank R. Bigbear, Jr., Minneapolis, painter
Lee K. Blessing, Minneapolis, playwright
Remo Campopiano, Minneapolis, sculptor
Mary M. Easter, Northfield, choreographer
Kathy Hemingway Jones, Minneapolis, photographer
Deborah A. Keenan, St. Paul, poet
Roderick H. Massey, Minneapolis, painter
David John Olsen, St. Paul, composer
Jane H. Pejsa, Minneapolis, non-fiction writer
John E. Snyder, Minneapolis, painter
Sandra L. Spieler, Minneapolis, sculptor
Georgia A. Stephens, Minneapolis, choreographer
Janika L. Vandervelde, St. Paul, composer
Jay P. White, Minneapolis, poet
Steven P. Woodward, St. Paul, sculptor

Fellows are chosen from three artistic disciplines: literature (writers of fiction and creative non-fiction, poets, and playwrights), visual arts (painters, sculptors, graphic artists, still photographers, filmmakers, and video artists); and performing arts (composers of music and choreographers). Candidates must be at least twenty-five years old and residents of Minnesota for twelve of the thirty-six months preceding the application deadline. Major selection criteria have included exceptional talent and demonstrated artistic ability in past work by the artists, and the estimated importance of the applicant's Fellowship plan to his or her development as an artist. Awards have been made to artists in varying stages of development, from emerging through mature, who have completed their formal training and education and have demonstrated a serious commitment to their art.

Selection of Bush Artist Fellows is accomplished with a two-part panel review process. Separate preliminary judging panels for literature, visual arts, choreography, and music composition review application materials and select finalists. A final interdisciplinary panel then selects the Fellows. The judging panels, which are different every year, are composed of artists, curators, and critics from outside of Minnesota. Names of panelists are announced following the final selection of the Fellows. Members of the 1986 preliminary and final selection panels were as follows:

Preliminary Visual Arts:
- Charles Atlas, film and video maker, New York City
- Kathy Halbreich, Director, List Visual Arts Center, Cambridge, MA
- Patricia Patterson, painter, Leucadia, CA
- Larry Sultan, photographer, Greenbrae, CA

Preliminary Literature:
- Jonathan Galassi, poet and Senior Editor, Random House, Inc., New York City
- Ellen Gilchrist, fiction writer, Jackson, MS
- Romulus Linney, playwright, New York City
- Jean Strouse, non-fiction writer, New York City

Preliminary Choreography:
- Margaret Jenkins, choreographer, San Francisco, CA
- David Vaughan, dance writer/critic and Archivist, The Cunningham Dance Foundation, New York City
- David White, Executive Director and Producer, Dance Theater Workshop, New York City

Preliminary Music Composition:
- Claire Brook, Music Editor and Vice President, W.W. Norton and Company, New York City
- Lou Harrison, composer, Aptos, CA
- Leroy Jenkins, composer, New York City

Final Panel:
- Michael Auping, Chief Curator, Albright-Knox Art Gallery, Buffalo, NY
- Lou Harrison, preliminary music panel
- David Ignatow, poet, East Hampton, NY
- Margaret Jenkins, preliminary choreography panel
- Larry Sultan, preliminary visual arts panel

Stipends for 1986 Artist Fellows were $1,666 per month for six to eleven months, or a total possible stipend award of $20,000 for a twelve to eighteen month Fellowship period. The program also provided additional funds of up to $5,000 for travel and production expenses incurred in connection with each Fellow's work. The total amount stipends and cost allowances authorized for 1986 Fellowships was $375,000, and for 1987 is $435,000.

Inquiries about this program should be directed to Sally Dixon, Program Director, The Bush Foundation Fellowships for Artists Program, E-900 First National Bank Building, Saint Paul, Minnesota, 55101.

GRANTMAKING POLICIES AND PROCEDURES

GRANTMAKING POLICIES AND PROCEDURES

MAJOR CURRENT INTERESTS

1. The Bush Foundation is predominantly a regional grantmaking foundation, with broad interests in education, human services, health, arts and humanities, and in the development of leadership.
2. The Foundation is interested in education at all levels, with major emphasis in higher education. In recent years, most of the Foundation's grantmaking in higher education has been in particular, pre-defined areas of emphasis. These include assisting private colleges with matching grants to complete capital fund drives, grants for faculty development, and for training in the joint fields of child development and social policy.
3. The Foundation seeks to support projects which may help demonstrate and evaluate ways to lessen, prevent or resolve contemporary social problems. Those projects which involve the elements of relatively early intervention and reasonable cost are of particular interest.
4. The Foundation seeks to encourage the delivery of good health care, at reasonable cost to recipients and to society. The Foundation wishes to consider proposals for programs that will improve the quality, accessibility, and efficiency of health care services within the Foundation's geographic region. Recently, grants have been approved for programs that seek to develop more information about the provision of health services within the region, and to improve the clinical and leadership skills of rural physicians.
5. Within its geographic region of major interest, the Foundation supports the arts and humanities, including music, theater, dance, visual arts, and the general preservation of our cultural heritage. Since 1975 the Foundation also has provided fellowships for individual artists in Minnesota.
6. The development of leadership potential was of particular interest to the founder of The Bush Foundation, and will continue to command its interest and resources.
7. In several of the program areas discussed above, the Foundation has also sought to promote minority opportunity. This represents a continuing interest.

8. The Foundation supports programs of interest to women, sometimes in separate programs and sometimes in programs available to both men and women. The Foundation's special interest in this general area is to support programs which improve the quantity and quality of options for women and girls.

RESTRICTIONS AND AREAS OF HIGH SELECTIVITY

1. The Foundation will concentrate its major interest on projects originating in, or of special value to Minnesota, North Dakota and South Dakota. The Bush Leadership Fellows Program and the Bush Clinical Fellows Program include coverage of these states plus the counties of western Wisconsin which are part of the Ninth Federal Reserve District. A limited number of major non-regional programs have been approved, such as grants in child development and public policy, or support for historically black private colleges. In each such case, the program outlines are discussed and approved by the Foundation Board prior to making the related initial grants. Proposals for projects outside the United States ordinarily will not be approved.
2. The Bush Foundation ordinarily will not contribute to other private foundations, but this shall not preclude its joining with one or more foundations in a common effort of special interest.
3. The Foundation does not make direct grants to individuals except through established, defined programs such as the Bush Leadership Fellows Program, the Artist Fellowships Program, and the Bush Clinical Fellows Program. Ordinarily the Foundation's grants are made only to non-profit, tax-exempt organizations.
4. Although the Foundation seeks to appraise each grant proposal on its merits, the following kinds of grant proposals are less likely to be approved than others:
   a. Proposals for building construction in medicine.
   b. Proposals requesting support to cover past operating deficits.
   c. Proposals seeking general and continuing operating support.
5. The Foundation for some time has been reluctant to provide funds for basic research within established academic disciplines. In September, 1974 the Board of Directors voted to cease granting funds for project research in the biomedical and health sciences.

GRANTMAKING PROCEDURES

Responsibility for Decisions

All commitments of grant funds are made by the Board of Directors. Some foun-

dations delegate authority from the Board to the staff for making final decisions on small grants. The Bush Foundation does not follow this practice. The Board usually meets quarterly, in February, April, June, and October. (In even-numbered years, the April Board meeting deals only with planning questions and not with individual grant proposals.) The Grants Committee, a six-member subcommittee of the Board, discusses all grants prior to final Board action, and makes recommendations of final action to the Board.

Time Required for Decisions

Grant proposals should be submitted to the President of the Foundation three months prior to the Board meeting at which consideration of the proposal is desired. This normally is a minimum time needed to complete the steps required for consideration. But if the proposal is highly specialized, if it requires the review of outside consultants, the process of consideration usually takes longer.

The Board has approved additional preliminary screening procedures for proposals from the University of Minnesota and its affiliated institutions, and for requests seeking construction funds for major hospitals and medical centers. The Foundation staff will explain these steps to anyone wishing further information about them.

Ordinarily one member of the Foundation's program staff is assigned to work on a specific proposal when it is received by the Foundation. This staff member will suggest further discussion with the author of the proposal if it seems necessary, and may also seek other opinions, consultant assistance, and background information. This staff member will also be responsible for presenting the proposal, the results of the related investigation, and the program staff's composite recommendation to the Grants Committee and to the Board.

Preliminary Inquiries

The Foundation staff welcomes brief preliminary letters inquiring about possible interest of the Foundation in providing funds for a particular project. The staff also is pleased to answer written or telephone inquiries concerning application procedures, desired documentation, timing problems, and so on.

In answering questions about the possible future Foundation action on a proposal idea, the staff replies usually will range from "possible" to "unlikely". These staff appraisals never signal quick, optimistic encouragement as to final outcome. At the same time, they rarely are so discouraging as to prohibit finally any further consideration. However, recent staff estimates suggesting that proposal ideas seemed "unlikely" to command board interest and final approval have usually proven correct, even though the estimates do not commit or limit later Board action.

Exploration of Other Sources of Support

Grant applicants ordinarily should explore all other possible sources of support in addition to The Bush Foundation. This exploration does not hurt the chances

for a favorable decision by The Bush Foundation, but may improve the chances that the project will find support somewhere. In the event other sources do provide partial or full support, The Bush Foundation should be notified promptly, so that the staff may revise the amount requested in line with up-to-date and realistic needs.

GRANT PROPOSALS

Form of Presentation

There is no special form for applying for a grant. The proposals made to the Foundation vary widely as to purpose, and hence vary also as to the documentation needed for fair consideration. Plans which have been worked out thoughtfully and described concisely are always welcomed. Expensive brochures and extra packaging generally seem wasteful.

Desired Contents

A detailed list of "Application Requirements" is available at the Foundation office, and should be requested before drafting a final proposal. Following is a summary of the information which ordinarily should be provided in a completed proposal for a new project:

1. A clear description of the project, what it may be expected to achieve, and why it is important to undertake.
2. A detailed income and expense budget for the project, showing how the requested funds would be spent and during what time periods and showing where the income is expected to come from. The budget should make clear how the major elements of income and expense were estimated. Applicants should specify when payment of funds is desired from the Foundation, and in what amount. If more than one payment is requested under the grant, a suggested schedule of payments should be provided.
3. A statement of other possible sources of support, public or private, which have been or will be solicited concerning the project, including a statement of funds which have been received or pledged.
4. If the project is to be continued after the period for which support has been requested, an explanation of how continuation of the project is to be financed. This explanation should include an income and expense projection for the program through one year beyond the last year for which Bush support is requested.
5. The procedure and criteria by which effectiveness of the grant should be judged after the grant funds have been expended.
6. Information concerning the organization and the responsible officers who intend to carry out the project:
   a. A brief description of the organization making the proposal.

b. The names and primary affiliations of the organization's directors or trustees.
c. The name(s) and qualifications of the person(s) who would administer the grant.
d. An audited balance sheet and income statement, if available, for the organization's previous fiscal year.

7. A copy of the organization's most recent tax-exempt ruling from the Internal Revenue Service, along with either a statement as to any revisions which may be pending, or a statement that there has been no change and none is pending.
8. A current declaration by the applicant that it has no notice of any adverse action by IRS with respect to its exempt status or its classification.
9. If the request comes from a department or individual in an organization, the request also should be endorsed by the administrative head of the organization. If possible, the endorsement also should comment upon the relative priority of the request compared with other needs which The Bush Foundation may be asked to support.
10. For demonstration projects, research studies, and experiments, a description of similar work which has been carried out previously by other agencies would be helpful, along with an estimate of the significance of this prior work to the proposed project.
11. Proposals seeking funds for basic research should be written so that the project and its importance may be understood by non-specialists, and also so that the specific work plan may be understood and reviewed by consultants in the specific discipline involved. The Foundation has been extremely selective in approving grants for basic research of all kinds.

APPROVED GRANTS

Notification of Approval

The Bush Foundation will send written notice to applicants concerning all Board decisions to approve or deny grant proposals, usually within ten days following the Board meeting involved. During this period, the Foundation notifies newspapers in Minnesota and the Dakotas and radio and television stations of grants which have been approved. The Foundation Center in New York City is also notified of approved grants so that its central data file may be kept current.

Reports to the Foundation

The Foundation will require progress reports at least annually stating what has been accomplished by expenditures of the grant funds, along with appropriate financial reports as to how the funds were spent. Grant funds may be spent only for the purposes granted. Uncommitted funds at the end of the grant period must be

returned to the Foundation unless other arrangements have been proposed beforehand and approved formally by the Foundation's Board of Directors. Following the end of the period for which funds were granted, the grantee must provide the Foundation with a final financial accounting for the grant funds and an evaluation and summary of the results obtained.

Disposition of Foundation Papers

In October, 1980, The Bush Foundation Board approved an archive agreement with the Minnesota Historical Society which provides that Foundation papers of potential historical interest will be catalogued and stored by the Society, and eventually will be available to scholars and other interested persons. The files of approved and denied grant applications and of fellowship applications will not be given public access, however, until fifty years following the date when those files were created. Other items such as annual reports or clipping files, which are either immediately publishable or already published, will be given immediate public access by the Society.

Summary Statistics for Recent Grants

The following tables summarize The Bush Foundation's recent grants, classified by the purpose for which funds were granted, by size and duration of grants, and by the geographic location of the grantees.

SUMMARY OF GRANTS APPROVED IN FISCAL YEARS 1984, 1985, 1986 CLASSIFIED BY PURPOSE FOR WHICH FUNDS WERE GRANTED[1]

Program Area	1984	1985	1986	3-Year Total
A. Arts & Humanities	$ 1,248,178	$ 1,221,000	$ 2,041,171	$ 4,510,349
	(14)	(20)	(20)	(54)
	8.8%	6.9%	14.0%	9.8%
B. Education	5,933,096	8,520,500	3,629,084	18,082,680
	(35)	(30)	(25)	(90)
	42.0%	48.3%	24.9%	39.0%
C. Health	1,612,253	1,608,963	1,327,802	4,549,018
	(8)	(9)	(10)	(27)
	11.4%	9.1%	9.1%	9.8%
D. Human Services	2,032,844	3,021,806	3,059,367	8,114,017
	(34)	(49)	(61)	(144)
	14.4%	17.1%	21.0%	17.5%
E. Miscellaneous	1,825,200	1,532,179	2,703,780	6,061,159
	(12)	(15)	(23)	(51)
	12.9%	8.8%	18.5%	13.1%
F. Fellowship Program Stipends	1,477,000	1,725,000	1,818,000	5,020,000
	(3)	(4)	(3)	(10)
	10.5%	9.8%	12.5%	10.8%
	$14,128,571	$17,629,448	$14,579,204	$46,337,223
TOTALS	(106)	(127)	(142)	(376)
	100%	100%	100%	100%

[1]In each cell, the dollar figure represents the total amount granted, the figure next below in parenthesis shows the number of grants made, and the bottom figure shows the percentage of all grant dollars awarded during that fiscal year.

SUMMARY OF GRANTS APPROVED IN FISCAL YEAR 1986 CLASSIFIED BY SIZE, DURATION, GEOGRAPHIC LOCATION OF GRANTS

Classification of Grants			Number of Grants Approved
I. Size	$0- 9,999		5
	10,000- 24,999		35
	25,000- 49,999		41
	50,000- 99,999		20
	100,000- 199,999		21
	200,000- 499,999		14
	500,000-1,500,000		6
		Total	142
II. Duration	1 year		91
	2 years		26
	3 years		24
	4 years		1
		Total	142
III. Geographic Location	Minnesota		107
	North Dakota		11
	South Dakota		13
	Other		11
		Total	142

GRANTS FOR THE YEAR ENDED NOVEMBER 30, 1986

THE BUSH FOUNDATION STATEMENT OF GRANTS FOR THE PERIOD ENDED NOVEMBER 30, 1986

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
A. ARTS AND HUMANITIES					
Museums					
Minnesota Museum of Art, Saint Paul					
To support renovation of the Jemne Building	$ 75,000	....	$ 75,000	$ 75,000	....
Walker Art Center, Minneapolis					
To support exhibition program expenses	300,000	$ 100,000	....	100,000	....
Theater					
Actors Theatre of Saint Paul, Saint Paul					
To support the renovation of the Norstar Theatre	100,000	100,000	....	....	$ 100,000
To support expansion of its acting company	90,000	....	90,000	40,000	50,000
At The Foot of The Mountain, Minneapolis					
To support its transition to a multi-cultural theatre	67,500	22,500	....	22,500	....
Guthrie Theater Foundation, Minneapolis					
To support the 1986-87 season	158,000	....	158,000	158,000	....
Illusion Theater and School, Inc., Minneapolis					
To revise the script of its sexual abuse prevention play, NO EASY ANSWERS	14,403	....	14,403	14,403	....
Southern Theater Foundation, Minneapolis					
To support planning efforts	11,000	....	11,000	11,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Theatre in the Round Players, Inc., Minneapolis					
To support the purchase and renovation of the Theatre's building	50,000	50,000	....	....	50,000
West Bank Community Development Corporation, Inc., Minneapolis					
To support an audience development program for West Bank theaters	20,000	....	20,000	20,000	....
World Theater Corporation, Saint Paul					
To support a capital campaign to renovate the Theater	125,000	....	125,000	125,000	....
Music					
The Minnesota Composers' Forum, Saint Paul					
To support the Composers' Handbook	7,500	....	7,500	7,500	....
The Minnesota Opera Company, Saint Paul					
To support the 1985-86 season	64,000	....	64,000	64,000	....
The Minnesota Orchestral Association, Minneapolis					
To support a $30.7 million endowment campaign	2,000,000	306,189	....	306,189	....
To support the 1985-86 season	165,000	....	165,000	165,000	....
Ordway Music Theatre, Saint Paul					
To help construct and endow the Theatre	750,000	....	750,000	....	750,000
Saint Paul Chamber Orchestra Society, Saint Paul					
To support the 1986-87 season	170,000	....	170,000	170,000	....
The Schubert Club, Saint Paul					
To support a $2.5 million endowment campaign	250,000	125,000	....	125,000	....
Other					
Artspace Projects, Inc., Minneapolis					
Program support for 1985-86 and 1986-87	17,500	7,000	....	7,000	....
COMPAS, Inc., Saint Paul					
To support the Community Art Fund	45,000	10,000	....	10,000	....
To support a membership development campaign	28,800	....	28,800	16,500	12,300
Duluth Civic Ballet, Inc., Duluth, Minnesota					
To support a membership development program	25,000	25,000	....	10,000	15,000

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Film in the Cities, Inc., Saint Paul					
To support the salary of a Managing Director	60,000	....	60,000	30,000	30,000
Graywolf Press, Saint Paul					
To support a creative essay series	45,000	....	45,000	25,000	20,000
The Loft, Inc., Minneapolis					
To support long-range planning	11,840	....	11,840	11,840	....
Minnesota Alliance for Arts in Education, Minneapolis					
To support the Comprehensive Arts Planning program	13,000	6,500	....	6,500	....
To support the Arts Education Community Development project	42,000	....	42,000	21,000	21,000
Minnesota Historical Society, Saint Paul					
To purchase rare books, works of art, for the Society's collection	150,000	....	150,000	50,000	100,000
Minnesota Humanities Commission, Saint Paul					
To help support the Minnesota History Teaching Alliance	43,628	....	43,628	43,628	....
The Network, Minneapolis					
To support the Tickets-To-Go ticket service	10,000	....	10,000	10,000	....
New Dance Ensemble, Minneapolis					
To support a marketing and booking project	9,000	2,000	....	2,000	....
Playwrights' Center, Inc., Minneapolis					
To support program expenses	10,000	4,000	....	4,000	....
Visual Arts Information Service, Minneapolis					
To expand its publication for visual artists	32,000	16,000	....	16,000	....
TOTAL		$ 774,189	$ 2,041,171	$ 1,667,060	$ 1,148,300
B. EDUCATION					
Elementary and Secondary Education					
Central Minnesota Educational Cooperative Service Unit, Saint Cloud, Minnesota					
Toward a training program for rural public school teachers in the use of interactive television	$ 194,250	$ 56,500	....	$ 56,500	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Leech Lake Reservation Business Committee, Cass Lake, Minnesota					
To help purchase books and periodicals for the Chief Bug-O-Nay-Ge-Shig School	23,980	....	$ 23,980	23,980	....
Macalester College, Saint Paul					
To help expand the Minnesota High School Mathematics League	25,444	....	25,444	15,444	$ 10,000
Minnesota Association of School Administrators, Saint Paul					
To support a mid-career management training program for public school district superintendents in Minnesota					
1982 grant	1,041,945	270,945	....	138,000	132,945
1985 grant	1,279,466	1,279,466	....	185,000	1,094,466
University of Minnesota, Minneapolis					
To support a project to improve instruction in science and mathematics in Minnesota elementary and secondary schools	388,844	134,689	....	134,689	....
To support the first two classes of a mid-career management training program for school principals	641,532	417,764	....	310,644	107,120
Higher Education					
Capital Challenge Grants to UNCF Colleges (in cooperation with The William and Flora Hewlett Foundation)					
Bethune-Cookman College, Daytona Beach, Florida	250,000	....	250,000	....	250,000
Dillard University, New Orleans, Louisiana	500,000	....	500,000	....	500,000
Johnson C. Smith University, Charlotte, North Carolina	500,000	250,000	....	250,000	....
Stillman College, Tuscaloosa, Alabama	160,000	....	160,000	160,000	....
Xavier University of Louisiana, New Orleans, Louisiana	600,000	200,000	....	200,000	....
Capital Challenge Grants to Minnesota and Dakota Colleges					
Augsburg College, Minneapolis	460,000	....	460,000	....	460,000
College of Saint Thomas, Saint Paul	1,000,000	....	1,000,000	....	1,000,000
Concordia College, Moorhead, Minnesota	1,000,000	1,000,000	....	1,000,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Saint John's University Collegeville, Minnesota	475,000	475,000	....	475,000	....
Sioux Falls College, Sioux Falls, South Dakota	260,000	130,000	....	130,000	....
Faculty Development Planning Grants to UNCF Colleges (in cooperation with The William and Flora Hewlett Foundation)					
Johnson C. Smith University, Charlotte, North Carolina	10,000	....	10,000	10,000	....
Paine College, Augusta, Georgia	10,000	....	10,000	10,000	....
Spelman College, Atlanta, Georgia	10,000	....	10,000	10,000	....
Stillman College, Tuscaloosa, Alabama	10,000	....	10,000	10,000	....
Tougaloo College, Tougaloo, Mississippi	10,000	....	10,000	10,000	....
Tuskegee University Tuskegee Institute, Alabama	10,000	....	10,000	10,000	....
Xavier University of Louisiana New Orleans, Louisiana	10,000	....	10,000	10,000	....
Faculty Development Program Grants in Minnesota and the Dakotas					
Augsburg College, Minneapolis	183,775	77,725	....	58,100	19,625
Augustana College, Sioux Falls, South Dakota	180,000	52,000	....	52,000	....
Bethel College and Seminary, Saint Paul	180,000	120,000	....	60,000	60,000
College of Saint Benedict, Saint Joseph, Minnesota	179,941	57,908	....	57,908	....
College of Saint Catherine, Saint Paul	190,000	73,500	....	48,500	25,000
College of Saint Scholastica, Duluth, Minnesota	171,892	54,610	....	54,610	....
College of Saint Teresa, Winona, Minnesota	75,000	25,000	....	25,000	....
College of Saint Thomas, Saint Paul	300,000	80,000	....	80,000	....
Concordia College, Saint Paul	75,000	50,000	....	25,000	25,000
Gustavus Adolphus College, Saint Peter, Minnesota	180,000	113,250	....	49,500	63,750
Hamline University, Saint Paul	180,000	120,000	....	60,000	60,000
Macalester College, Saint Paul	180,000	120,000	16,482*	76,482	60,000

*Unused balance of previous faculty development grant.

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Minnesota Community College System, Saint Paul					
Program grant	905,400	570,200	....	306,630	263,570
Evaluation grant	65,797	39,257	....	22,262	16,995
Minnesota State University System, Saint Paul	967,355	274,515	....	274,515	....
Mount Marty College, Yankton, South Dakota	75,000	23,170	....	23,170	....
North Dakota State Board of Higher Education, Bismarck, North Dakota	292,000	....	292,000	146,000	146,000
North Dakota State University, Fargo, North Dakota	300,000	100,000	....	100,000	....
Saint John's University, Collegeville, Minnesota	143,500	72,750	....	72,750	....
Saint Mary's College, Winona, Minnesota	180,000	60,000	....	60,000	....
Saint Olaf College, Northfield, Minnesota	180,000	120,000	....	60,000	60,000
Sioux Falls College, Sioux Falls, South Dakota	75,000	22,600	....	22,600	....
University of Minnesota, Minneapolis	900,000	50,000	....	50,000	....
University of North Dakota, Grand Forks, North Dakota					
To support network activities in The Bush Foundation's regional faculty development program	7,719	....	7,719	....	7,719
University of South Dakota, Vermillion, South Dakota	300,000	....	300,000	100,000	200,000
Grants to Tribally-Controlled Indian Colleges					
Oglala Sioux Community College, Inc., Kyle, South Dakota					
To support a faculty development program	74,986	50,000	....	25,000	25,000
Sinte Gleska College Center, Rosebud, South Dakota					
To support a faculty development program	74,934	24,978	....	24,978	....
To support a library expansion	125,000	....	125,000	62,000	63,000
Standing Rock Community College, Fort Yates, North Dakota					
To support a faculty development program	75,000	....	75,000	25,000	50,000
To support building renovation	101,400	101,400	....	101,400	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Turtle Mountain Community College, Belcourt, North Dakota					
To support a faculty development program	75,000	....	75,000	25,000	50,000
Other Higher Education					
College of Saint Scholastica, Duluth, Minnesota					
To develop a Master of Arts in Psychology of Aging degree program	179,285	61,545	....	61,545	....
Dakota Wesleyan University, Mitchell, South Dakota					
To support long-range institutional planning	15,880	....	15,880	15,880	....
Hamline University, Saint Paul					
To support faculty development at the Hamline University School of Law	288,000	50,000	....	50,000	....
Kilian Community College, Sioux Falls, South Dakota					
To strengthen the College's admission office and increase student enrollment	72,000	72,000	....	54,000	18,000
Metropolitan State University Foundation, Saint Paul					
To support the University's Minority Services Program	150,000	75,000	....	75,000	....
Minnesota Private College Fund, Saint Paul					
To provide donor matching incentives and to support extra fundraising expenses in 1985-86	117,300	80,000	(75,486)	4,514	....
North Dakota State Board of Higher Education, Bismarck, North Dakota					
To support improved analysis of academic programs	238,000	68,000	....	68,000	....
Oneida Education Center, Inc., Saint Paul					
To support a building renovation project	48,000	....	48,000	36,000	12,000
Tri-College University, Fargo, North Dakota					
To support an agricultural education program	52,700	....	52,700	21,400	31,300
United Negro College Fund, New York, New York					
To support UNCF annual fund drives in 1986, 1987, and 1988	270,000	270,000	....	90,000	180,000

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
University of Minnesota, Minneapolis					
To help complete the conversion of the University's library catalogue into machine-readable form	1,246,635	836,559	....	415,105	421,454
To support an instructional improvement service at the University of Minnesota - Duluth	208,822	10,800	....	10,800	....
Child Development					
University of California at Los Angeles, Los Angeles, California					
To support network activities involving the Bush Program in Child and Family Policy	29,177	29,177	....	18,209	10,968
University of Michigan, Ann Arbor, Michigan					
To support the Bush Program in Child Development and Social Policy and related network activities					
1982 grant	750,000	137,500	....	137,500	....
1985 grant	311,695	311,695	....	158,008	153,687
University of North Carolina, Chapel Hill, North Carolina					
To support the Bush Institute for Child and Family Policy and related network activities					
1982 grant	750,000	137,500	....	137,500	....
1985 grant	310,046	310,046	....	181,399	128,647
Yale University, New Haven, Connecticut					
To support the Bush Center in Child Development and Social Policy and related network activities					
1982 grant	750,000	137,500	....	137,500	....
1985 grant	409,436	409,436	....	216,153	193,283
Other Child Development					
Erikson Institute for Early Education, Inc., Chicago, Illinois					
Toward a leadership training program	250,000	10,000	....	10,000	....
Greater Minneapolis Day Care Association, Minneapolis					
To support a training program to improve day care services for infants and young children	123,361	....	123,361	83,361	40,000

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Purdue Research Foundation, West Lafayette, Indiana					
To assist Dr. Douglas R. Powell to evaluate the programs of Minnesota Early Learning Design in Minneapolis	299,599	216,841	....	85,360	131,481
University of Minnesota, Minneapolis					
To support an off-campus mid-career training program for child development professionals from six states in the upper-midwest	491,943	322,096	....	145,640	176,456
Other Education					
Independent School District #625, Saint Paul					
To support the Saint Paul Technical Vocational Institute's career development program for Asian and Hispanic women	25,000	....	25,000	25,000	....
TOTAL		$10,212,922	$ 3,570,080	$ 7,535,536	$ 6,247,466
C. HEALTH					
Arrowhead Regional Development Commission, Duluth, Minnesota					
To support planning for long-term care in northeastern Minnesota	$ 128,266	$ 64,133	....	....	$ 64,133
Benedictine Health Center, Duluth, Minnesota					
To support the start-up costs of an adult day care program for confused elderly	15,000	....	$ 15,000	$ 15,000	....
Bois Forte Reservation Business Committee, Nett Lake, Minnesota					
Toward construction of a new health center	150,000	150,000	....	150,000	....
District 12 Community Council, Saint Paul					
To support a Block Nurse Program	50,000	....	50,000	35,000	15,000
Freshwater Foundation, Navarre, Minnesota					
To support publication of an environmental health newsletter	254,323	....	254,323	116,047	138,276
Government Training Service, Saint Paul					
Management training for staffs of community mental health programs	71,030	71,030	....	40,000	31,030

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Helping Hand Health Center, Inc., Saint Paul					
To expand services of a neighborhood health center	50,000	....	50,000	25,000	25,000
Lutheran Church in America, Saint Paul					
To develop a comprehensive health and social service program for elderly people in Mankato, Minnesota	40,000	....	40,000	25,000	15,000
Lyngblomsten Care Center, Inc., Saint Paul					
To support the Center's capital campaign	125,000	....	125,000	125,000	....
Metro Community Health Consortium, Saint Paul					
To expand client services in community health clinics in the Twin Cities	317,841	64,411	....	64,411	....
Model Cities Health Center, Inc., Saint Paul					
To support the initial costs of a maternal and child health program	60,000	....	60,000	60,000	....
Saint Paul-Ramsey Medical Center Commission, Saint Paul					
To support the Greater Saint Paul Retired Senior Volunteers Program	45,000	10,000	....	10,000	....
State of Minnesota, Department of Health, Minneapolis					
To support the development of a statewide pathology-based cancer surveillance system	25,000	....	25,000	25,000	....
Tri-College University, Fargo, North Dakota					
To support a consortium-based nursing education program	208,000	....	208,000	42,295	165,705
University of Minnesota, Minneapolis					
To support Fellowships for Minority Medical Students	318,600	96,499	(96,499)	....	....
To support the Center for Health Services Research program	569,557	344,946	....	219,316	125,630
University of North Dakota, Grand Forks, North Dakota					
To improve the teaching and research skills of Basic Sciences faculty in the Medical School	135,000	60,000	....	40,000	20,000

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
To develop an Office of Research and Policy Analysis in the Center for Rural Health Services, Policy and Research	500,479	....	500,479	71,406	429,073
TOTAL		$ 861,019	$ 1,231,303	$ 1,063,475	$ 1,028,847
D. HUMAN SERVICES					
Youth and Family Services					
Alternative Homes, Inc., Saint Paul					
To support start-up costs of a group home for emotionally disturbed youth	$ 10,000	....	$ 10,000	$ 10,000	....
Boys and Girls Club of Aberdeen, Aberdeen, South Dakota					
Toward support for a juvenile court diversion program for young boys and girls	21,000	$ 5,000	....	5,000	....
To help support a building renovation project	30,000	....	30,000	30,000	....
Children's Home Society of Minnesota, Saint Paul					
To support a client prospect development project	56,000	28,000	....	28,000	....
The City, Inc., Minneapolis					
Toward a capital fund drive to purchase and renovate a building for a youth service center	100,000	100,000	....	....	$ 100,000
Dakota Boys Ranch Association, Minot, North Dakota					
To support a new drug and alcohol abuse treatment program	43,000	....	43,000	18,000	25,000
Divorce Education Outreach Family Center, Alexandria, Minnesota					
To support counseling programs	17,000	....	17,000	9,000	8,000
East Communities Family Center, Inc., Maplewood, Minnesota					
Toward support for a treatment program for male juvenile sex offenders	85,000	35,000	....	35,000	....
Episcopal Community Services, Inc., Minneapolis					
Toward construction costs of an evaluation center building at Archdeacon Gilfillan Center for emotionally disturbed children	50,000	....	50,000	50,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Farm Family Resources, Inc., Marshall, Minnesota					
Toward a program to relieve stress in farm families	17,500	....	17,500	10,000	7,500
Girls Club of Rapid City, Inc., Rapid City, South Dakota					
To support a career development program for young low-income women	81,393	....	81,393	36,755	44,638
Jewish Family Service of Saint Paul, Saint Paul					
To start a parent education program	35,439	14,039	....	14,039	....
Loring-Nicollet-Bethlehem Community Centers, Inc., Minneapolis					
To support its capital fund drive	80,000	....	80,000	80,000	....
Minneapolis/Saint Paul Family Housing Fund, Minneapolis					
To support an employment program for low-income single heads of households	10,000	....	10,000	10,000	....
Minneapolis Youth Diversion Program, Minneapolis					
To support expansion of the Educational Advantages for American Indian Youth program	48,450	....	48,450	....	48,450
Minnesota Indian Women's Resource Center, Minneapolis					
To support the development of a parenting curriculum	25,222	....	25,222	25,222	....
National Youth Leadership Council, Saint Paul					
To support a leadership training program for high school students	115,952	24,645	....	24,645	....
Northwood Children's Home Society, Inc., Duluth, Minnesota					
To support a construction project for a program for emotionally disturbed children	35,000	....	35,000	....	35,000
Perspectives, Inc., Minnetonka, Minnesota					
Toward support for a walk-in crisis counseling center for adolescents	25,750	10,750	....	10,750	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Phillips Community Center, Minneapolis					
To help support the operating expenses of a new multi-service community center	75,000	....	75,000	....	75,000
Positive Parent Network, Rapid City, South Dakota					
To plan a cooperative building program for programs which serve youth and families	25,000	....	25,000	25,000	....
Resources for Child Caring, Inc., Saint Paul					
To help establish an accreditation system for daycare centers in Minnesota	144,274	....	144,274	79,159	65,115
City of Saint Paul, Saint Paul					
To help support the Better Opportunities Through Self-Sufficiency employment training program for low income single parents	15,000	....	15,000	15,000	....
Sioux Indian YMCA, Dupree, South Dakota					
Toward construction of an addition to the YMCA's building	15,000	....	15,000	15,000	....
South Dakota Children's Aid, Inc., Mitchell, South Dakota					
Toward construction of an addition to a residence for emotionally disturbed girls	30,000	....	30,000	30,000	....
South Dakota Children's Home Society, Rapid City, South Dakota					
Toward construction of a classroom building for emotionally disturbed children	50,000	....	50,000	....	50,000
Summit-University Teen Center, Inc., Saint Paul					
To support the Center's program planning and review project	10,000	....	10,000	10,000	....
Technical Advisory Committee to Implement Community Services, Inc., Minneapolis					
To support a financial and housing counseling project for low-income families	28,000	8,000	....	8,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
The Village Family Service Center, Fargo, North Dakota					
Toward a capital fund drive for a family social services agency	265,000	....	265,000	165,000	100,000
Volunteers in Partnership, Inc., Brainerd, Minnesota					
To support a counseling program for troubled adolescents	28,000	....	28,000	....	28,000
Young Women's Christian Association of Saint Paul, Saint Paul					
Toward support for a housing program for homeless women and their children	150,000	....	150,000	150,000	....
Youth Emergency Services, Inc., Minneapolis					
Toward purchase of a building for a crisis intervention program	150,000	150,000	....	150,000	....
Family Violence					
Baptist Hospital Fund, Inc., Saint Paul					
To help support a domestic violence treatment program	75,000	25,000	....	25,000	....
Beltrami County Sexual Assault Task Force, Bemidji, Minnesota					
To help support a project to assist sexually abused Indian women	5,287	....	5,287	5,287	....
Domestic Abuse Project, Inc., Minneapolis					
To support the evaluation of three thereapeutic treatment methods for helping men who batter	165,466	57,140	....	28,200	28,940
Family Crisis Shelter, Williston, North Dakota					
To develop a curriculum to prevent violence in dating relationships among high school students	32,900	14,200	....	14,200	....
Minneapolis Medical Research Foundation, Inc., Minneapolis					
To support Sexual Assault Resource Service's program to assist Indian victims of sexual assault	9,327	....	9,327	9,327	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Minnesota Coalition for Battered Women, Inc., Saint Paul					
To support an educational program in junior and senior high schools	91,200	63,100	....	63,100	....
North Dakota Council on Abused Women's Services, Bismarck, North Dakota					
Toward support for a statewide victim/witness program	30,000	....	30,000	30,000	....
North Shore Horizons, Inc., Two Harbors, Minnesota					
To help support services for battered women in northwestern Minnesota	20,900	....	20,900	14,000	6,900
Project S.A.Y., Rapid City, South Dakota					
To help support a program for parents of sexually abused children	36,000	....	36,000	24,000	12,000
Range Women's Advocates, Chisholm, Minnesota					
To support staff salaries	35,000	....	35,000	25,000	10,000
Responses to End Abuse of Children, Inc., Minneapolis					
To encourage policy changes in public and private responses to child abuse and incest	60,000	30,000	....	30,000	....
Saint Paul Intervention Project, Inc., Saint Paul					
Toward support for a program to encourage police and court intervention in family violence cases	40,000	....	40,000	20,000	20,000
Sexual Violence Center of Hennepin County, Minneapolis					
Toward support for a program to assist victims of sexual assault	35,000	10,000	....	10,000	....
Southside Family Nurturing Center, Minneapolis					
To develop an instrument to evaluate the impact of a counseling program for families of abused children	25,000	....	25,000	25,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Washington County Battered Women's Task Force, Lake Elmo, Minnesota					
To encourage police and court intervention in family violence cases	15,000	....	15,000	10,000	5,000
Women's Shelter, Inc., Rochester, Minnesota					
Toward expansion of a battered women's shelter	24,175	....	24,175	24,175	....
Health and Rehabilitation for Adults					
Breakaway, Inc., Minneapolis					
To support renovations for a chemical dependency program	25,000	....	25,000	25,000	....
Cedar Valley Rehabilitation Workshop, Inc., Austin, Minnesota					
To help support the relocation of a sheltered workshop program in Albert Lea, Minnesota	75,000	....	75,000	75,000	....
Center on Alcohol and Drug Problems, Inc., Duluth, Minnesota					
To support renovation of the Duluth Detoxification Center	25,000	25,000	....	25,000	....
FAST Cleaning, Inc., Minneapolis					
To start an employment program for handicapped people	16,000	8,000	(8,000)	....	....
Goodwill Industries Vocational Enterprises, Inc., Duluth, Minnesota					
To support a building renovation project	65,000	....	65,000	65,000	....
Interstate Rehabilitation Center, Inc., Red Wing, Minnesota					
To support a building remodeling and expansion project for a sheltered workshop for handicapped people	50,000	....	50,000	50,000	....
Juel Fairbanks Aftercare Residence, Saint Paul					
To support building renovations for a halfway house for chemically dependent men	48,000	....	48,000	48,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Minnesota Council of Residential Treatment Centers Foundation, Saint Paul					
To design an evaluation system for seventeen residential treatment centers	64,500	12,000	....	12,000	....
Minnesota Diversified Industries, Inc., Saint Paul					
Toward building expansion costs for a sheltered workshop for handicapped people	150,000	....	150,000	150,000	....
Minnesota Foundation for Better Hearing and Speech, Saint Paul					
To help establish an electronic mail system for deaf people in Minnesota	20,000	20,000	....	20,000	....
Minnesota Institute on Black Chemical Abuse, Minneapolis					
To help support purchase and renovation of additional office space	30,000	....	30,000	30,000	....
Northern Hills Training Center, Spearfish, South Dakota					
Toward construction of a building addition for a sheltered workshop for handicapped people	25,000	....	25,000	25,000	....
Owobopte Industries, Inc., Lakeville, Minnesota					
To help support the costs of a building addition for a sheltered workshop	25,000	....	25,000	25,000	....
Rebuild Resources, Inc., Minneapolis					
To support an employment program for chemically dependent people	30,000	....	30,000	15,000	15,000
Reverence for Life and Concern for People, Inc., Granite Falls, Minnesota					
To support construction of a new wing for Project Turnabout, a chemical dependency treatment center	45,000	45,000	....	45,000	....
Saint Paul Urban Indian Health Board, Inc., Saint Paul					
To expand its chemical dependency treatment program	10,000	....	10,000	10,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Turning Point, Inc., Minneapolis					
To help to replace a half-way house for chemically dependent adults	100,000	100,000	....	100,000	....
Law and Corrections					
Amicus, Inc., Minneapolis					
To support its volunteer recruitment program	30,000	30,000	....	15,000	15,000
Duluth Bethel Society, Inc., Duluth, Minnesota					
To support building renovations for a work release program	25,000	....	25,000	....	25,000
Genesis II for Women, Inc., Minneapolis					
Toward support for a capital fund drive to renovate space in a building being acquired by Youth Emergency Services, Inc. (Y.E.S.)	75,000	75,000	....	75,000	....
LINK Management, Inc., Saint Paul					
To support a new residential community corrections program for women	13,789	....	13,789	13,789	....
Mediation Center for Dispute Resolution, Saint Paul					
To support the Center's program and for community mediation projects	100,000	....	100,000	45,000	55,000
Minnesota Citizens' Council on Crime and Justice, Minneapolis					
To help finance a building purchase plan	214,857	157,333	....	150,000	7,333
Neighborhood Justice Center, Inc., Saint Paul					
To support purchase and renovation of the Center's building	30,000	30,000	....	30,000	....
Other Human Services					
Catholic Charities of the Archdiocese of Saint Paul and Minneapolis, Saint Paul					
Toward support for a capital fund drive to purchase and renovate the Dorothy Day Center for homeless people	100,000	....	100,000	100,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Channel One, Inc., Rochester, Minnesota					
Toward start-up costs for four senior citizen food cooperatives in southeastern Minnesota	36,400	....	36,400	26,400	10,000
CHART, Minneapolis					
To support CHART's Employment Services Program for women	200,000	22,100	....	22,100	....
Chrysalis, A Center for Women, Minneapolis					
To purchase equipment to improve Chrysalis' data management capacity	18,000	....	18,000	18,000	....
Community Administrative Services, Inc., Saint Paul					
To support the purchase of office equipment for a program which serves non-profit agencies	36,750	....	36,750	36,750	....
Duluth Food and Nutrition Council, Duluth, Minnesota					
To support the programs of the Duluth Hunger Coalition	43,282	43,282	....	25,000	18,282
Metropolitan Senior Federation, Saint Paul					
To support its Center for Career Change	35,000	15,000	....	15,000	....
Minneluzahan Senior Citizen Center, Rapid City, South Dakota					
To support Minneluzahan's programs for elderly Indians	7,000	....	7,000	7,000	....
Mother Cabrini Haus, Minneapolis					
Toward support for a program for homeless people	55,000	....	55,000	37,000	18,000
Newgate Education and Research Center, Inc., Saint Paul					
To support the acquisition of new facilities for its expanded programs	100,000	....	100,000	100,000	....
Ramsey Action Programs, Inc., Saint Paul					
To support the SHARE food cooperative program for low income people	15,000	....	15,000	15,000	....

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
The Salvation Army, Duluth, Minnesota					
To support a capital campaign	100,000	....	100,000	100,000	....
The Salvation Army, Rapid City, South Dakota					
To support the Salvation Army's capital campaign	25,000	....	25,000	25,000	....
Transition of the Twin Cities, Minneapolis					
To support scholarships for women who wish training for secular employment after leaving religious orders	15,000	....	15,000	15,000	....
United Way of the Saint Paul Area, Inc., Saint Paul					
To support member agency operations in 1986	350,000	350,000	....	350,000	....
To support member agency operations in 1987	280,000	....	280,000	....	280,000
To support the Emergency Care Fund in 1986	15,000	....	15,000	15,000	....
To support installation of a targeted allocations system	88,900	....	88,900	38,300	50,600
TOTAL		$ 1,507,589	$ 3,051,367	$ 3,395,198	$ 1,163,758
E. MISCELLANEOUS					
Communications					
Duluth-Superior Area Educational Television Corporation, Duluth, Minnesota					
To match increased membership income in 1985-86	$ 35,000	....	$ 35,000	$ 35,000	....
Independent School District #492, Austin, Minnesota					
To support marketing activities and to match increased membership income of public television station KAVT-TV	68,000	....	68,000	43,000	$ 25,000
Minnesota Public Radio, Inc., Saint Paul					
To match increased membership income					
1985 grant	105,000	$ 105,000	(11,865)	93,135	....
1986 grant	144,000	....	144,000	....	144,000
Prairie Public Broadcasting, Inc., Fargo, North Dakota					
To match increased membership income for Prairie Public Radio					
1985 grant	18,000	18,000	....	18,000	....
*1986 grant**	20,000	....	20,000	....	20,000

*A single grant approved on October 27, 1986 appropriated funds for both of these programs.

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
To match increased membership income for Prairie Public Television					
1985 grant	107,500	107,500	....	107,500	....
*1986 grant**	107,500	....	107,500	....	107,500
Twin Cities Public Television, Inc., Saint Paul					
Toward operating support for 1985-86	190,000	....	190,000	190,000	....
To support its capital campaign for a new building	1,000,000	....	1,000,000	1,000,000	....
Environment					
American Farmland Trust, Washington, DC					
To support a seven-county agricultural land preservation project in Minnesota	20,000	....	20,000	10,000	10,000
Deep-Portage Conservation Foundation, Hackensack, Minnesota					
To support construction costs of the Deep-Portage Conference Center	150,000	....	150,000	....	150,000
Environmental Learning Center, Inc., Isabella, Minnesota					
To help construct a new building	250,000	250,000	....	....	250,000
International Coalition for Land/Water Stewardship in the Red River Basin, Moorhead, Minnesota					
To support a seminar program for local elected leaders in the Red River Valley	64,730	....	64,730	40,780	23,950
Land Stewardship Project, Stillwater, Minnesota					
To support Project Caretaker which encourages farmers to conserve agricultural land	25,000	....	25,000	15,000	10,000
Long Lake Conservation Foundation, Palisade, Minnesota					
Toward construction of a dormitory and renovation of a classroom building	100,000	....	100,000	100,000	....
Midwest Assistance Program, Inc., New Prague, Minnesota					
To support a water audit and conservation program in up to ten Minnesota municipalities	49,875	29,875	....	29,875	....

*A single grant approved on October 27, 1986 appropriated funds for both of these programs.

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Minnesota Landscape Arboretum Foundation, Chanhassen, Minnesota					
To help build a library addition	125,000	....	125,000	....	125,000
The Nature Conservancy, Minneapolis					
To support its Lac Qui Parle Prairie Wetlands Project	200,000	200,000	....	200,000	....
Community Foundations					
Duluth-Superior Area Community Foundation, Duluth, Minnesota					
Matching grant for endowment fund	750,000	150,000	....	100,000	50,000
The Minneapolis Foundation, Minneapolis					
To support the Minnesota Nonprofits Assistance Fund	250,000	....	250,000	250,000	....
Sioux Falls Area Foundation, Sioux Falls, South Dakota					
Toward endowment and early operating costs	550,000	525,000	....	290,029	234,971
Other Miscellaneous Grants					
Countryside Council, Marshall, Minnesota					
To support the Council's foodbank project in 1986	34,550	....	34,550	34,550	....
The Foundation Center, New York, New York					
To support the Center's programs	135,000	....	135,000	45,000	90,000
Hmong Folk Art Center, Minneapolis					
To support the Center's programs	15,000	5,000	....	5,000	....
Lower Sioux Indian Community, Morton, Minnesota					
To support a pottery and crafts center project	12,000	....	12,000	12,000	....
Midwest China Study Resource Center, Saint Paul					
To support the Center's programs	40,000	....	40,000	25,000	15,000
Minnesota Food Association, Saint Paul					
To support study of problems of food production and distribution	60,000	....	60,000	25,000	35,000

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
The Minnesota Project, Inc., Minneapolis					
To support rural economic and community development projects	35,000	....	35,000	20,000	15,000
North End Area Revitalization, Inc., Saint Paul					
To support a commercial grant-loan fund	35,000	....	35,000	20,000	15,000
Planned Parenthood of Minnesota, Saint Paul					
To stimulate annual corporate giving					
1985 grant	50,000	50,000	....	50,000	....
1986 grant	32,000	....	32,000	....	32,000
Rum River Citizens League, Princeton, Minnesota					
Program support	16,000	....	16,000	10,000	6,000
The Saint Paul Tenants Union, Saint Paul					
To support educational programs for low-income tenants	5,000	....	5,000	5,000	....
Women's Community Housing, Inc., Minneapolis					
Capital campaign	75,000	75,000	....	75,000	....
TOTAL		$ 1,515,375	$ 2,691,915	$ 2,848,869	$ 1,358,421
F. FELLOWSHIP PROGRAMS					
Bush Leadership Fellows Programs					
To provide mid-career study and internship opportunities for selected residents of Minnesota, North Dakota, South Dakota, and Western Wisconsin					
1983 program	$ 726,000	$ 18,688	$	$ 19,440	$ (752)
1984 program	751,000	62,491	....	83,560	(21,069)
1985 program	822,000	471,968	....	404,963	67,005
1986 program	860,000	860,000	....	365,405	494,595
1986 program (supplement)	60,000	60,000	....	....	60,000
1987 program	933,000	....	933,000	....	933,000
TOTAL — BUSH LEADERSHIP FELLOWS PROGRAMS		$ 1,473,147	$ 933,000	$ 873,368	$ 1,532,779

Organization and Purpose	Initial Grant	Unpaid Balance 1985	Appro-priated 1986	Amount Paid 1986	Unpaid Balance 1986
Bush Foundation Fellowships for Artists					
To enable selected writers, choreographers, composers, and visual artists in Minnesota to set aside a significant period of time for work in their chosen art forms					
1984 program	$ 375,000	$ 17,775	$ (520)	$ 17,255	$ ....
1985 program	375,000	224,393	....	199,121	25,272
1986 program	375,000	375,000	....	96,568	278,432
1987 program	435,000	....	435,000	....	435,000
TOTAL — BUSH FOUNDATION FELLOWSHIPS FOR ARTISTS		$ 617,168	$ 434,480	$ 312,944	$ 738,704
Bush Clinical Fellows Program					
To provide mid-career study opportunities for primary care physicians in rural Minnesota, North Dakota, South Dakota, and Western Wisconsin					
1983 program	$ 280,000	$ 118,685	$ (65,623)	$ 27,062	$ 26,000
1984 program	280,000	154,247	....	42,914	111,333
1985 program	280,000	178,672	....	132,706	45,966
1986 program	430,000	430,000	....	46,858	383,142
1987 program	450,000	....	450,000	....	450,000
TOTAL — BUSH CLINICAL FELLOWS PROGRAM		$ 881,604	$ 384,377	$ 249,540	$ 1,016,441
GRAND TOTAL		$17,843,013	$14,337,693**	$17,945,990	$14,234,716

**This figure is the net total appropriated during the 1986 fiscal year. It represents gross new appropriations of $14,579,204, transfer of an unused balance from a previous grant to a new grant of $16,482, less cancellations of $257,993.

REPORT OF THE TREASURER

REPORT OF THE TREASURER

The financial statements of the Foundation appear on the following pages. They have been audited by Deloitte Haskins & Sells.

Investment and other income for the year ended November 30, 1986, was $19,483,000, an increase of $1,894,000 over 1984-85. Net income also increased to $16,509,000 compared to $15,369,000 in 1984-85. Investment expenses were $1,780,000, for the year.

The market value of the Foundation's assets increased to $344,877,000 at November 30, 1985, from $300,078,000 a year earlier. A detailed list of all securities held is a part of the financial report.

New grant appropriations, net of cancellations, were $14,338,000 in the year, a decrease of $3,175,000 from 1984-85. Grant payments of $17,946,000 were up $2,883,000 from 1984-85 and grant commitments payable were down from $17,843,000 in 1984-85 to $14,235,000 at November 30, 1986.

The investment managers employed by the Board of Directors as of November 30, 1986 are:

Alliance Capital Management Corporation, Minneapolis, MN
Sanford C. Bernstein & Co., Inc., New York, NY
Cigna Capital Advisors, Inc., Hartford, CT
The First Trust Company of Saint Paul, St. Paul, MN
JMB Institutional Realty Corporation, Chicago, IL
Jundt/Capen Associates, Inc., Minneapolis, MN
R. Meeder & Associates, Inc., Columbus, OH
Morley Capital Management, Inc., Lake Oswego, OR
STW Fixed Income Management, Inc., Santa Barbara, CA
Superior Ventures (Investment Advisers, Inc.), Minneapolis, MN
Wright Investors' Service, Bridgeport, CT

The Investment Committee uses DeMarche Associates of Kansas City, Missouri, as a consultant for asset allocation, manager selection, performance evaluation, and for other advisory needs. The Investment Committee of the Board meets regularly with the managers for review and evaluation of investment performance.

Frank B. Wilderson, Jr.
Treasurer

Deloitte
Haskins + Sells

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55 East Fifth Street
Saint Paul, Minnesota 55101
(612) 291-8110
Cable DEHANDS

OPINION OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors of
The Bush Foundation:

We have examined the balance sheets of The Bush Foundation as of November 30, 1986 and 1985 and the related statements of revenue, expense, and changes in fund balances and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, such financial statements present fairly the financial position of The Bush Foundation at November 30, 1986 and 1985 and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of investments at November 30, 1986 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplemental schedule has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Deloitte Haskins + Sells

January 16, 1987

BALANCE SHEETS, NOVEMBER 30, 1986 and 1985

	NOTES	1986	1985
		(In thousands of dollars)	
ASSETS			
CASH AND INTEREST-BEARING DEPOSITS		$ 2,168	$ 1,567
INVESTMENTS, principally at quoted market value:	1		
Money market trusts and short term investment funds		76,993	11,385
Corporate, foreign and U.S. Government and Government Agency bonds and notes, amortized cost of $35,889,000 in 1986 and $29,856,000 in 1985		36,971	31,165
Common stocks and equity-related preferred stocks and bonds, cost of $145,443,000 in 1986 and $180,081,000 in 1985		168,428	201,297
Real estate, cost of $27,914,000 in 1986 and $25,414,000 in 1985		28,788	25,738
Insurance contracts		22,900	23,658
Venture capital investments		625	—
Total investments		334,705	293,243
DIVIDENDS AND INTEREST RECEIVABLE		7,837	5,131
FURNITURE, EQUIPMENT AND OTHER ASSETS, net of accumulated depreciation of $31,000 in 1986 and $27,000 in 1985	1	167	137
TOTAL ASSETS		$344,877	$300,078
LIABILITIES AND FUND BALANCE			
ACCOUNTS PAYABLE		$ 220	$ 212
ACCRUED AND OTHER LIABILITIES		67	74
DUE FOR SECURITIES WITH SETTLEMENTS PENDING		2,379	771
ACCRUED FEDERAL EXCISE TAXES:	2		
Current		1,194	777
Deferred		524	478
GRANTS SCHEDULED FOR PAYMENT IN FISCAL YEAR:	1		
1986		—	12,044
1987		9,686	4,466
1988		3,781	1,333
1989		768	—
Total unpaid grants		14,235	17,843
FUND BALANCES		326,258	279,923
TOTAL LIABILITIES AND FUND BALANCES		$344,877	$300,078

See accompanying notes to financial statements.

STATEMENTS OF REVENUE, EXPENSE AND CHANGES IN FUND BALANCES FOR THE YEARS ENDED NOVEMBER 30, 1986 and 1985

	NOTES	1986	1985
		(In thousands of dollars)	
INCOME FUND:			
Investment income:			
Dividends		$ 10,195	$ 7,560
Interest		7,937	8,610
Other income		1,351	1,419
Less:			
Investment expenses	3	(1,780)	(1,442)
Provision for Federal excise tax — current	2	(1,194)	(778)
Net investment income		16,509	15,369
Administrative expenses	3	(1,449)	(1,269)
Investment income available for grant appropriation		15,060	14,100
Grants appropriated during year — net of cancellations	1	(14,338)	(17,513)
Excess (deficiency) for the year		722	(3,413)
Balance at beginning of year		2,314	5,727
Balance at end of year		3,036	2,314
PRINCIPAL FUND:			
Net realized gains on investment transactions		43,404	24,203
Prior years' appreciation on investments sold during the year		(15,339)	(6,551)
Increase in unrealized appreciation in market value of investments		17,594	20,805
Provision for deferred Federal excise taxes	2	(46)	(307)
Excess for the year		45,613	38,150
Balance at beginning of year		277,609	239,459
Balance at end of year		323,222	277,609
COMBINED INCOME AND PRINCIPAL FUNDS:			
Excess of investment income, gains and appreciation over expenses, grants and taxes		46,335	34,737
Balance at beginning of year		279,923	245,186
BALANCES AT END OF YEAR		$326,258	$279,923

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN FINANCIAL POSITION FOR THE YEARS ENDED NOVEMBER 30, 1986 AND 1985

	1986	1985
	(In thousands of dollars)	
FUNDS PROVIDED:		
From operations:		
Net investment income	$ 16,509	$ 15,369
Net realized gains on investment transactions less appreciation recognized in prior years	28,065	17,653
Net unrealized appreciation in market value of securities	17,594	20,805
Other	6	6
Total from operations	62,174	53,833
Increase in grants payable	—	2,449
Increase in accounts payable and accrued liabilities	1	—
Increase in Federal excise taxes payable	417	—
Increase in settlements pending	1,608	3,274
Total funds provided	64,200	59,556
FUNDS APPLIED:		
To operations:		
Grants appropriated — net of cancellations	14,338	17,513
Administrative expenses	1,449	1,269
Total to operations	15,787	18,782
Decrease in grants payable	3,608	—
Increase in dividends and interest receivable	2,706	1,755
Decrease in accounts payable and accrued liabilities	—	77
Decrease in Federal excise taxes payable	—	29
Other	36	48
Total funds applied	22,137	20,691
INCREASE IN CASH AND INVESTMENTS	42,063	38,865
CASH AND INVESTMENTS — BEGINNING OF YEAR	294,810	255,945
CASH AND INVESTMENTS — END OF YEAR	$336,873	$294,810

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED NOVEMBER 30,1986 and 1985

1. ACCOUNTING POLICIES

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles. The more significant accounting policies are as follows:

Description of Funds:

The principal fund represents assets which are invested in income-producing securities. The fund is not available for distribution unless authorized by the Board of Directors.

The income fund primarily represents income earned on invested principal which is available for grant appropriation and payment of investment and administrative expenses.

Investments:

The investments are recorded at quoted market value or at cost which approximates market value. Realized and unrealized gains and losses on investment transactions are accounted for in the principal fund. The cost of investments sold is determined on a first-in, first-out basis.

Property:

For financial reporting purposes, the Foundation allocates the cost of property (principally office furniture and equipment) between income-producing and grant-making activities, using the method allowed by Internal Revenue Service regulations. The allocated cost of income-producing assets is capitalized and depreciated using the straight-line method over a useful life of ten years. The cost of assets allocated to grant-making activities is charged to operations in the year of acquisition, and amounted to $51,000 in 1986 and $44,000 in 1985.

Grant Appropriations:

Grants are recorded when approved by the Foundation's Board of Directors. Cancellations of grants occur principally when the grantees do not meet the grant terms. Cancellations were $258,000 in 1986 and $117,000 in 1985.

2. FEDERAL EXCISE TAXES AND DISTRIBUTION REQUIREMENTS

Federal Excise Taxes:

The Foundation is subject to a 2% excise tax on its taxable investment income which principally includes income from investments plus net realized capital gains (net capital losses, however, are not deductible).

Accrued Federal excise taxes at November 30, 1986 and 1985 included $524,000 and $478,000, respectively, of deferred Federal excise taxes resulting from recorded unrealized appreciation in the market value of investments of $25,076,000 and $22,821,000, respectively, as well as from timing differences in recognition of income from certain investments.

Distribution Requirements:

The Foundation is subject to the distribution requirements of the Internal Revenue Code. Accordingly, it must distribute, within one year after the end of each fiscal year, 5% of the average market value of its assets as defined. The Foundation has complied with distribution requirements through November 30, 1986.

3. INVESTMENT AND ADMINISTRATIVE EXPENSES

The classification of expenses between investment and administrative (grant-related) activities is determined by either specific identification of the expense or by an allocation based on management estimates. The classifications for 1986 and 1985 are as follows in thousands of dollars:

1986	Investment	Administrative	Total
Salaries and staff benefits	$ 130	$ 570	$ 700
Investment management	1,542	—	1,542
Program management	—	313	313
Consulting fees	—	134	134
Other administrative expenses	108	432	540
Total	$1,780	$1,449	$3,229

1985	Investment	Administrative	Total
Salaries and staff benefits	$ 96	$ 540	$ 636
Investment management	1,265	—	1,265
Program management	—	283	283
Consulting fees	—	63	63
Other administrative expenses	81	383	464
Total	$1,442	$1,269	$2,711

4. PENSION PLAN

The Foundation has a defined contribution pension plan, whereby individual annuity contracts with Teachers Insurance and Annuity Association of America and College Retirement Equities Fund are purchased for all qualified employees. The expense of the plan for 1986 and 1985 was $65,000 and $60,000, respectively.

SCHEDULE OF INVESTMENTS HELD
NOVEMBER 30,1986

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Short Term Investment Funds and Bankers Acceptance:			
Federated Master Trust	$ 1,664,751	$ 1,664,751	$ 1,664,751
First National Bank of St. Paul Money Market Savings Account — Daily Interest	72,170,841	72,170,841	72,170,841
Temporary Investment Fund Inc Class B	916,720	916,720	916,720
Federal Hsg Admin Citibk Proj #133 Bankers Accep 7.43% DTD 01/01/1984 01/10/2024	1,960,245	1,688,874	1,688,874
Index Option Fund	552,448	552,448	552,448
Total Short Term Investment Funds and Bankers Acceptance	$ 77,265,005	$ 76,993,634	$ 76,993,634
Corporate, Foreign & U.S. Government and Government Agency Bonds and Notes:			
European Invt Bank Bd 9.125% 10/01/98	$ 2,500,000	$ 2,179,850	$ 2,575,000
Federal Hsg Admin-Citicorp Proj Pool #148 7.43% 05/01/2022 NC	2,066	1,700	1,700
First Federal Savgs & Ln Assn Chicago Ill Mtg-Backed Ctf Ser A Pass Thru Rate 8.75% 06/01/2006 NC	187,616	187,616	181,519
Penn Corp Finl Inc Sub Deb 10% 04/29/1997 C82	13,880	1	13,880
United States Treas Bds Dtd 8/15/83 12% Due 8/15/03 NC	20,100,000	27,811,563	28,435,269
United States Treasury Bonds Dtd 8/15/84 12.50% Due 8/15/14	3,920,000	5,707,888	5,763,615
Total Corporate & Other Bonds:	$ 26,723,562	$ 35,888,618	$ 36,970,983
Common Stock:			
Abbott Labs Com	43,600	$ 1,455,045	$ 2,054,650
Aetna Life & Cas Co Com	27,000	1,425,200	1,559,250
Alcan Alum Ltd Com	93,900	2,451,602	2,875,688
Alliance Technology Fd Inc Com	97,911	2,250,000	2,308,736
Aluminum Co Amer Com	47,200	1,703,145	1,634,300
American Business Prods Inc Ga Com	2,600	86,648	61,100
American Express Co Com	40,000	1,934,519	2,300,000
American Intl Group Inc Com	4,600	198,752	276,000
American Tel & Teleg Co Com	55,000	1,432,050	1,491,875
Amoco Corp Com	16,400	973,677	1,113,150

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Angelica Corp Com	6,700	192,580	167,500
Apollo Computer Inc Com	56,700	1,029,784	829,238
Ashton Tate Com	12,600	521,064	576,450
Autodesk Inc Com	5,500	201,200	218,625
Baker Intl Corp Com	68,000	964,354	748,000
Baldor Elec Co Com	8,800	176,317	173,800
Banc One Corp Com	40,000	863,589	970,000
BankAmerica Corp Com	62,200	1,285,006	940,775
Barry Wright Corp Com	8,800	176,458	136,400
Becton Dickinson & Co Com	30,000	1,142,480	1,440,000
Best Buy Inc Com	15,800	270,947	410,800
Bethlehem StL Corp Com	58,400	1,154,853	299,300
Black & Decker Corp Com	75,000	1,395,480	1,275,000
Black Hills Corp Com	7,800	180,301	175,500
Blessings Corp Com	2,500	52,035	50,625
Bob Evans Farms Inc Com	10,750	195,261	215,000
Boise Cascade Corp Com	27,000	1,483,638	1,670,625
Bolt Beranek & Newman Inc Com	4,800	127,434	204,600
Browning Ferris Inds Inc Com	6,100	267,072	276,788
Burlington Northn Inc Com	15,000	853,030	918,750
Burroughs Corp Com	20,000	1,420,658	1,650,000
Cigna Corp Com	29,100	1,179,590	1,593,225
Caremark Inc Com	6,600	138,200	146,850
Carolina Fght Corp Com	5,200	174,294	219,700
Caterpillar Inc Com	40,000	1,391,406	1,585,000
Chemical New York Corp Com	41,500	1,302,283	1,848,975
Chevon Corp Com	58,300	2,211,971	2,761,963
Chrysler Corp Com	97,200	2,182,115	3,827,250
Circle K Corp Com	100,000	1,652,780	1,725,000
Cintas Corp Com	1,900	90,203	89,300
Citicorp Com	12,100	413,119	629,200
Clark J L Mfg Co Com	7,200	175,500	180,000
Collins Foods Intl Inc Del Com	12,500	172,975	214,063
Combustion Engr Inc	35,000	1,025,087	1,159,375
Commercial Cr Co Com	65,000	1,333,840	1,348,750
Computer Sciences Corp Com	14,400	574,099	601,200
Conifer Group Inc Com	4,000	150,500	229,000
Corroon & Black Corp Com	11,200	343,809	397,600
Cray Resh Inc Com	36,800	2,733,485	2,861,200
Crazy Eddie Inc Com	14,100	200,925	193,875
Cross A T Co CL A Com	4,500	173,421	204,188
Data Gen Corp Com	35,200	1,288,141	1,130,800
Deere & Co Com	58,600	1,732,115	1,355,125
Dexter Corp Com	9,300	178,634	191,813
Digital Equip Corp Com	64,300	3,777,905	6,679,163
Disney Walt Co Com	12,000	452,043	517,500
Dresser Inds Inc Com	38,300	684,625	742,062
Dun & Bradstreet Corp Com	5,200	344,693	559,650
Dynatech Corp Com	5,100	178,500	158,100
Electro Rent Corp Com	5,100	94,917	77,775
Electrospace Sys Inc Com	7,800	176,046	129,675
Ennis Business Forms Inc Com	3,200	89,088	80,400
Federal Express Com	7,700	493,914	527,450
Federal Natl Mtg Assn Com	50,000	1,430,880	1,868,750
Fiduciary Growth Assoc Inc Com	31,180	1,499,914	1,543,722
Firemans Fd Corp Com	50,000	1,525,975	1,687,500
First Bk Sys Inc Com	35,000	1,590,970	1,798,125
First Va Bks Inc Com	5,800	171,692	168,925

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Flowers Inds Inc Com	7,700	173,027	200,200
Fluke John Mfg Inc Com	6,800	196,903	147,050
Fluor Corp Com	87,100	1,420,620	1,077,863
Foote Cone & Belding Communcations Inc Com	3,200	176,288	142,400
Ford Mtr Co Del Com	129,550	4,319,033	7,578,675
Gannett Inc Com	25,600	1,879,858	1,932,800
Gap Inc Com	13,100	238,803	568,213
General Elc Co Com	28,000	1,338,190	2,324,000
General Mtrs Corp Com	44,800	2,619,120	3,264,800
General Mtrs Corp Cl E	5,900	242,730	185,113
General Re Corp Com	53,200	2,987,940	2,892,750
Halliburton Co Com	87,700	2,000,949	2,181,538
Hannaford Bros Co Com	3,400	88,567	112,200
Hartford Natl Corp Com	49,500	1,320,338	1,342,688
Heilig Meyers Co Com	3,000	90,693	99,000
Horizon Bancorp N J Com	4,500	180,812	230,625
Hunt Mfg Co Com	3,000	86,925	72,375
IC Inds Inc Com	60,000	1,347,302	1,537,500
Inco Ltd Com	118,900	1,566,321	1,501,113
Intel Corp Com	65,000	1,314,500	1,495,000
Intergraph Corp Com	47,300	1,343,525	969,650
Internatonal Business Machs Corp Com	51,300	4,582,126	6,521,513
International Technology Corp Com	9,600	183,521	240,000
Kaiser Alum & Chem Corp Com	35,000	554,362	525,000
Kaman Corp Cl A	8,000	195,500	198,000
Kelly Svcs Inc Cl A	3,600	174,600	190,800
Keystone Intl Inc Com	9,765	179,248	146,475
Kimball Intl Inc Cl B	5,800	176,900	175,450
Knight Ridder Inc Com	30,00	1,165,025	1,462,500
Koppers Inc Com	65,000	1,809,735	1,885,000
Lanc Inc Com	5,600	173,600	219,800
Lane Inc Com	3,700	172,975	204,425
Lawson Prods Inc Com	8,400	187,900	178,500
Lee Enterprises Inc Com	3,900	175,702	88,725
Legget & Platt Inc Com	7,050	174,699	202,688
Lilly Indl Coatings Inc Cl A	5,985	89,775	88,279
Limited Inc Com	20,100	215,712	655,763
Logicon Inc Com	4,900	173,730	120,050
Lotus Dev Corp Com	3,700	178,629	199,800
MacMillan Inc Com	9,800	303,693	412,825
MacNeal Schwendler Corp Com	2,000	48,812	52,500
Manufacturers Hanover Corp Com	35,000	1,291,462	1,592,500
Marsh & McLennan Cos Inc Com	7,400	245,916	450,475
May Dept Stores Co Com	35,000	1,139,400	1,386,875
McDonalds Corp Com	33,100	1,989,040	2,097,713
Measurex Corp Com	40,00	1,506,389	1,415,000
Merck & Co Inc Com	5,300	333,472	585,650
Mesa Ltd Partnership Pref A Depositary Receipt	150,000	2,077,470	2,325,000
National Data Corp Com	9,400	180,565	212,675
Neutrogena Corp Com	1,800	77,850	60,300
New England Business Svc Inc Com	3,900	224,094	171,600
New Process Co Com	5,800	173,014	150,075
Newell Co Com	3,200	85,338	90,000
Newport Corp Com	11,200	220,100	162,400
Norwest Corp Com	34,400	842,664	1,337,300
Olsten Corp Com	3,900	91,260	97,500
Oshkosh B Gosh Inc Cl A	6,800	273,277	391,000

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Oshmans Sporting Goods Inc Com	3,500	54,250	53,375
Paradyne Corp Com	11,900	170,367	56,525
Petrolite Corp Com	7,200	194,418	176,400
Philip Morris Cos Inc Com	11,500	359,279	853,875
Philips Inds Inc Com	12,000	174,480	184,500
Plains Pete Co Com	30,000	415,044	798,750
Price Co Com	5,400	149,513	194,400
Prime Mtr Inns Inc Com	25,000	875,950	884,375
Progressive Corp Ohio Com	13,112	260,914	396,638
RPM Inc Ohio Com	9,200	193,900	188,600
Roses Stores Cl B	7,400	95,738	135,050
Royal Dutch Pete Co			
N Y Registry Sh Par N Gldr 10	43,800	2,448,537	4,067,925
Russ Rogs Inc Com	3,700	90,983	105,913
Russell Corp Com	7,300	180,522	221,738
Safety Kleen Corp Com	15,600	511,638	530,400
Salomon Inc Com	25,000	1,110,087	1,056,250
Schering Plough Corp Com	7,400	613,711	604,025
Schlumberger Ltd Com	65,900	2,843,378	2,191,175
Sealed Air Corp Com	4,400	175,252	177,650
Sealed Pwr Corp Com	6,400	177,087	172,000
Sears Roebuck & Co Com	50,000	1,911,045	2,200,000
Seven Oaks Intl Inc Com	5,500	88,950	79,063
Shelby Williams Inds Inc Com	4,000	90,500	74,500
J M Smucker Co Com	4,400	206,663	184,800
Southwestern Bell Corp Com	25,000	2,696,250	2,796,875
Southwestern Energy Co Com	9,800	173,411	191,100
Spectrum Ctl Inc Com	9,900	89,793	115,088
Squibb Corp Com	5,000	420,335	551,250
Stanadyne Inc Com	5,000	185,908	182,500
Standard Oil Co Ohio Com	45,600	2,205,681	2,268,600
Standard Register Co Com	2,200	85,525	79,750
Stryker Corp Com	3,300	87,038	99,825
Student Ln Marketing Assn Com	6,000	256,078	403,500
Sun Microsystems Inc Com	14,400	290,960	311,400
Tab Prods Co Com	6,600	88,352	80,850
Tandem Computers Inc Com	77,200	1,947,443	2,933,600
Teleflex Inc Com	6,000	149,031	141,750
Texas Instrs Inc Com	18,400	1,775,723	2,198,800
Thompson Med Inc Com	6,100	85,827	71,675
Timeplex Inc Com	700,000	1,105,590	1,496,250
Tokheim Corp Com	9,4000	175,733	185,650
Tootsie Roll Inds Inc Com	2,163	85,167	111,395
Toys R US Com	30,900	923,596	961,763
Tultex Corp Com	15,400	185,339	286,825
Union Carbide Corp Spl Div Rt	12,997	507,695	—
United Indl Corp Com	7,200	175,104	116,100
U S Healthcare Inc Com	117,793	1,932,508	1,693,274
United Stationers Com	7,600	193,700	117,800
Unocal Corp Com	19,610	437,453	509,860
Upjohn Co Com	6,300	500,653	623,700
Utilcorp Utd Inc Com	7,242	180,660	235,452
Veeco Instrs Inc Com	9,400	175,733	141,000
Velcro Inds N V Com	2,900	91,640	60,175
Vishay Intertechnology In Com	4,100	87,814	78,413
Wal Mart Stores Inc Com	13,800	354,241	657,225
Walgreen Co Com	11,100	299,930	371,850
Wallace Computer Svcs Inc Com	3,900	174,638	157,950

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Wang Labs Inc Cl B	150,900	2,468,225	1,886,250
Waste Mgmt Inc Com	38,600	1,424,365	2,151,950
Wells Fargo & Co Com	8,000	704,365	846,000
West Inc Com	6,000	173,214	164,250
Xerox Corp Com	20,000	1,180,235	1,210,000
Zero Corp Com	9,875	182,253	145,656
Total Common Stocks		$145,443,244	$168,427,761
Real Estate:			
Cigna Real Estate Fund S — Limited Partnership	$ 12,913,808	$ 12,913,808	$ 13,787,685
Endowment & Foundation Realty Limited — JMB III	2,500,000	2,500,000	2,500,000
Endowment & Foundation Realty Limited — JMB II	12,500,000	12,500,000	12,500,000
Total Real Estate	$ 27,913,808	$ 27,913,808	$ 28,787,685
Insurance Contracts:			
Allstate Life Ins Co Cntr GA #4163 Dtd 8/26/85 Due 2/26/87 Compound Interest	$ 1,000,000	$ 1,000,000	$ 1,000,000
Crown Life Ins Co Guaranteed Invt Contr 501C3 GAC-65274-02 Dtd 5/1/84 12.97% Due 6/30/88	2,000,000	2,000,000	2,000,000
Crown Life Ins Co-Gtd Invt Contr GAX 65274-01 Dtd 3/6/84 12.58% Due 12/31/89	2,500,000	2,500,000	2,500,000
Equitable Life Assurn Soc-U S Gtd Invt Contr — 501C3 — FA 6119 Dtd 5/20/85 11.35% Due 8/20/90	1,250,000	1,250,000	1,250,000
Equitable Life Assurn Soc-U S Gtd Invt Contr — 501C3 — FA 6120 Dtd 5/20/85 11.40% Due 11/20/90	1,250,000	1,250,000	1,250,000
Equitable Life Assurn Soc-U S Gtd Invt Contr — 501C3 — FA 6121 Dtd 5/20/85 11.50% Due 2/20/91	1,250,000	1,250,000	1,250,000
Equitable Life Assurn Soc-U S Gtd Invt Contr — 501C3 — FA 6122 Dtd 5/20/85 11.55% Dtd 05/20/91	1,250,000	1,250,000	1,250,000
Metropolitan Life Ins Co Gtd Invt Contr 501C3 — 14.30% Due 6/7/89	1,000,000	1,000,000	1,000,000
Metropolitan Life Ins Co Group Annuity Cont Dtd 7/6/84 14.10% Due 7/6/89	1,000,000	1,000,000	1,000,000
Pan American Life Ins Contract 8.36% Compounded Dtd 8/21/75 Due 8/21/91	1,500,000	1,500,000	1,500,000
Prudential Life Ins Co Gtd Invt Contr GA 8906 Dtd 3/8/84 12.35% Due 12/31/88 $1,250,000	4,775,000	4,775,000	4,775,000
State Mut Life Ins Co Gtd Invt Contr $1,716,240 Dtd 3/2/84 11.29% Due 6/30/87	543,465	543,465	543,465
State Mut Life Ins Co Gtd Invt Contr $1,667,210 Dtd 3/2/84 11.70% Due 12/31/87	1,082,044	1,082,044	1,082,044

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Travelers Ins Co Gtd Invt Contr 501C3 13% Due 4/3/90	2,500,000	2,500,000	2,500,000
Total Insurance Contracts	$ 22,900,509	$ 22,900,509	$ 22,900,509
Venture Capital Investments:			
Superior Ventures Fd Minn Ltd Partnership	$ 625,000	$ 625,000	$ 625,000
Total Venture Capital Investments	$ 625,000	$ 625,000	$ 625,000
Total Investments			$334,705,572